
BOSTON HIGH SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs Lisa Smith Mrs Lisa Dawson Mr Peter Hunn
Trustees	Mr Christopher Collins, Staff Trustee Mr Stephen Crozier Mrs Lisa Dawson Mr Andrew Fulbrook, Headteacher Mrs Emmajean Hearn Mr Peter Hunn Mr Ashok Kumar Mr Colin Needham, Staff Trustee Dr Sunil Panjwani Mrs Lisa Smith, Chair of Trustees Mrs Julie Wise, Staff Trustee
Company registered number	08314283
Company name	Boston High School
Principal and registered office	Spilsby Road Boston Lincolnshire PE21 9PF
Chief executive officer	Mr Andrew Fulbrook
Senior management team	Mr Andrew Fulbrook, Headteacher Mrs Jemma Curson, Deputy Headteacher Mrs Kathy Farley, Assistant Headteacher Mrs Theresa Robinson, Assistant Headteacher Miss Anne-Marie Biscoe, Assistant Headteacher Mrs Abigail Gilton, Assistant Headteacher Mrs Claire Welberry, Finance/H.R Director

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

Independent auditors	Duncan & Toplis Limited 15 Chequergate Louth Lincolnshire LN11 0LJ
Bankers	Lloyds Bank 51 Market Place Boston Lincolnshire PE21 6NQ
Solicitors	Stone King LLP Wellington House East Road Cambridge CB1 1BH

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust operates as an Academy for pupils aged 11 to 18 serving a catchment area in and around Boston, Lincolnshire. It has a pupil capacity of 900 and had a roll of 851 on the school census as at May 2020.

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 Boston High School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Boston High School.

Details of the Trustees who served during the year 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, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to a maximum value of £10,000,000 any one loss and any one membership year.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Articles outline the different types of Trustee, each category has slightly differing election processes, as outlined below:

- The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Principal or any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.
- The Governing Body may appoint up to 8 Additional Trustees.
- A minimum of 2 and up to 6 Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he is elected. They can serve until the end of their 4 years' term of office even if their child is no longer registered at the academy.
- Up to 3 Staff Trustees shall be elected by a ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Headteacher). If a Staff Trustee ceases to work at the Academy then he shall be deemed to have resigned and shall cease to be a Trustee automatically on termination of his work at the Academy. Any election of a Staff Trustee which is contested shall be held by secret ballot. The total number of staff trustees must not exceed one third of the total number of trustees.
- The Trustees may appoint up to 3 Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed.

Trustees are subject to retirement or re-election at the end of their 4 year term of office unless the eligibility conditions listed above prevail.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Trustees and Governors are given a tour of the academy and the chance to meet with staff and students.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

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

Structure, governance and management (continued)

f. Organisational structure

The structure of the Academy consists of two senior levels: the Board of Directors (Governing Body) and the Head Teacher leading the Senior Leadership Team which includes one Deputy Head Teacher, four Assistant Headteachers and the Chief Finance Officer/H.R. Director.

An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the School nurtures the talents of its entire staff to support continual improvement and excellence.

The Board of Directors is responsible for setting the School's policies, adopting the School Improvement Plan and budget, monitoring performance against these plans and making major decisions about the direction of the School including its curriculum, the achievement and welfare of students and staffing.

The Head Teacher and Senior Leadership Team control the School at an executive level, implementing the policies set by the Board of Directors and reporting back to them.

The Board of Directors has established two sub-committees. Each sub-committee has its own terms of reference detailing the responsibilities discharged to the sub-committee, to the Head Teacher (The Accounting Officer) and to the Senior Leadership Team.

The terms of reference and meeting frequency for each sub-committee is reviewed and approved by the Board of Directors annually. The academy has an approved Financial Handbook which details the School's authorised spending limits.

The sub-committees of the Governing Body are:

- Finance, Personnel and Premises Committee (incorporating the Audit and Risk Committee)
- Standards and Outcomes Committee

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

The arrangements for setting pay and remuneration at Boston High School is via the application of the School Pay Policy.

This policy is reviewed annually by the Full Governing Body.

It is based upon the policy set by the Local Authority which reflects the local and national agreements.

As such, the policy has been subject to full consultation with professional associations.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year -

Full-time equivalent employee number -

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time -

Total pay bill -

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

i. Connected Organisations including Related Party Relationships

The school is connected to one other charity:

- Boston High School Fund (Charity Number 1051531)

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

Objectives and activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of Boston High School Academy to provide a broad and balanced education for pupils of different abilities between the ages of 11 and 18.

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to The Academy, and that the curriculum should comply with the substance of the national curriculum.

The main objectives of The Academy during the period ended 31 August 2021 are summarised below:

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain links with industry and commerce and the international community; and
- to conduct academy business in accordance with the highest standards of integrity, probity and openness.

- In addition, and due to the COVID 19 Pandemic and subsequent national response, the school found itself, along with all other schools, readjusted priorities and objectives to address this serious and dangerous health risk to the community. Plans remain live and are designed and implemented to reflect the national and local picture, they are adaptable and we are mindful that the risk remains real.

- The school has adhered to all DfE and PHE guidelines and practices and has ensured that all that can be done is achieved, in order to ensure safe practices are in place.

- The COVID 19 response meant that our school priorities are to focus on:
 - Safety
 - Curriculum Quality
 - Budget

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

Objectives and activities (continued)

b. Objectives, strategies and activities

1. To develop the capability of the school's leadership & management, to be achieved by the following actions:
 - Review all School policies to ensure they remain fit for purpose & are effectively implemented.
 - Offer all members greater opportunity to work with the Governing Body & greater experience of financial planning.
 - Review the School's current strengths & areas for development & identify training needs.
 - Audit the skills of teaching staff & plan to develop expertise & flexibility, to inform future recruitment requirements.
 - Review & improve Quality Assurance procedures.
 - Review & improve Reporting to Trustees.

2. To consolidate & extend the school's academic, pastoral & extra-curricular excellence, to be achieved by the following actions:
 - Review & improve procedures to ensure that new feedback and assessment opportunities are used to drive up performance.
 - Review staff developments & curriculum requirements in order to implement appropriate training and sharing of best practice.
 - Develop further National & International opportunities for our pupils.
 - Support & develop independent learning in the School through effective use of the new library and appropriate additional departmental resources. Developing reading skills across the academy through instilling a love of reading and developing literacy awareness, skills and understanding.
 - Continue to showcase the School's talent & academic atmosphere widely through sporting, cultural & musical public events.
 - Effectively allocate Form Tutors and Heads of Year for raising pupil expectations & performance.
 - Sustain and extend both links with and admission to first choice universities, employers and training providers.
 - Manage rooms and facilities to better support the development of the curriculum, within timetabling constraints.
 - Enhance the quality and impact of intervention strategies through effective use of Pupil Premium and other mentors / coaches, ensuring progress measures are met and maintained for all learners.
 - Ensure all on-line curriculum access and opportunities (through Microsoft Teams) allow for offsite continuation of our curriculum delivery thus meeting our learners needs.

3. To secure the future of the academy and the prosperity of the school, to be achieved by the following actions:
 - Exploration of the School's catchment area & with appropriate marketing & quality marketing materials, especially with reference to Sixth Form admissions.
 - Development of school's access to grant funding.
 - Sharing teaching & other shared resource opportunities with other schools.
 - To develop outreach into local primary schools & other academic community links.
 - Continue to develop the estate.
 - To consider further opportunities for growth as an Academy or Multi Academy Trust.

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

Objectives and activities (continued)

c. Public benefit

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, "*Charities and Public Benefit*".

The academy's public benefit is enshrined in its charitable objects, which state:

- To advance for the public benefit education in the town of Boston and the surrounding area, in particular but without prejudice to the generality of the foregoing by estimating, maintaining, carrying on, managing and developing schools, offering a broad curriculum.
- To co-operate with other charities, other independent and maintained schools, voluntary bodies and statutory authorities operating in furtherance of the Object and to exchange information and advice with them.

Strategic report

Achievements and performance overview

Examination results continue to be very good and most of our Year 13 students transfer to university, the majority of whom attain places at their first or second choice. The academy is now the most popular academic Sixth Form in the immediate Boston Area and the number on role during the 2020/21 academic year was 293. The DfE have announced that no performance tables will be published this year so national comparisons are not possible.

There are significant plans to continue to review the state of the fabric of the building and bids for CIF funding will continue to be made on an annual basis where appropriate.

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

Strategic report (continued)

Achievements and performance overview (continued)

Examination results continue to be very good and most of our Year 13 students transfer to university, the majority of whom attain places at their first or second choice. The academy is now the most popular academic Sixth Form in the immediate Boston Area and the number on role during the 2020/21 academic year was 293. The DfE have announced that no performance tables will be published this year so national comparisons are not possible.

There are significant plans to continue to review the state of the fabric of the building and bids for CIF funding will continue to be made on an annual basis where appropriate.

A-Level 100% onto University Places including 3 Medics Measure	2018/19	2019/20	2020/21 Our CAG No data published	2021/22 Our CAG No data published
% A*-A*	1.60%	10.00%		
% A*-A	8.20%	22.10%		
% A*-B	26.20%	49.80%		
% A*-C	58.10%	77.90%		
% A*-D	86.70%	94.80%		
% A*-E	96.80%	100.00%		
Level 3 Value Added	-0.11	+0.3		
Average Grade	C-	C+		
Strategic Report (continued)				
GCSE Measure	2018/19	2019/20		
Progress 8	0.20	0.790		
Attainment 8	59.38	64.94		
5 Standard Passes inc En & Ma	96.60%	99.10%		
5 Strong Passes inc En & Ma	82.80%	87.00%		
Basics 9-4 English & Maths	98.30%	100.00%		
Basics 9-5 English & Maths	82.80%	90.70%		

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

Strategic report (continued)

Achievements and performance overview (continued)

Basics 9-7 English & Maths	17.20%	35.20%
9	4.43%	7.30%
9-8	14.67%	22.50%
9-7	29.61%	48.30%
9-6	52.03%	72.00%
9-5	79.52%	89.10%
9-4	94.10%	98.50%
9-3	99.73%	100.00%
English Baccalaureate - Entered	70.70%	58.30%
English Baccalaureate - Results Standard Pass	56.90%	54.60%
English Baccalaureate - Results Strong Pass	34.50%	45.40%

Up to the COVID period, the school continued to run extensive extra-curricular activities, especially in Music and the Arts. Individual and group music lessons are taken by a considerable number of students and many students are involved in the school orchestra, various school choirs and the annual musical.

Trips abroad as well as locally for field work and cultural development (i.e. London theatre trips) are significant and develop the awareness of students in a cultural and global sense. We are cautiously beginning to reinstate these important activities and, provided Covid RAs are in place and are secure, we will continue to do so.

The School Development plan indicates clearly the progression intended and is highly focused on continuing to raise standards of both teaching and learning. The SIP and Appraisal processes are robust. Proactive tracking through data, observations and a series of reviews mean that any underperformance is quickly identified and addressed. CPD for staff is linked to whole school aims and objectives through Appraisal and QA processes. Observations show that Teaching is routinely 'Good' or 'Outstanding'. Where it is not, mentoring is in place.

The academy was inspected by OFSTED in March 2018 under section 8 of the inspection framework and the outcomes remain:

Overall effectiveness: 2
Leadership and Management: 1
Teaching and Learning: 2
Behaviour and Safety: 1

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

Strategic report (continued)

Financial review

a. Reserves policy

The majority of the academy's annual income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2021 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

During the period ended 31 August 2021, total unrestricted and restricted income (excluding capital funding within the restricted fixed asset fund) were £4,491,268. This compares with expenditure (excluding depreciation within the restricted fixed asset fund and pension reserve expenditure) of £4,079,260 and transfers out to the restricted fixed asset fund of £24,588, to give a surplus of income over expenditure on revenue funding totalling £387,420. This equates to the change in balance of the restricted general funds (excluding pension reserve) plus unrestricted funds reported at the previous year end.

As at 31 August 2021, restricted general funds (excluding pension reserves) were £1,463,631 and unrestricted funds were £137,081.

At the end of the prior financial period (year ended 31 August 2020) the academy had free reserves (restricted general funds excluding pension reserves plus unrestricted funds) of £1,213,292.

At 31 August 2021 the Local Government pension scheme deficit was £2,514,000. Although the deficit is material, the academy is taking the advice of the actuary regarding the repayment structure. Advised future contributions have also been included within the annual budget.

The academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the academy which is to be spent at the Trustees' discretion in furtherance of any of the academy's objects but which is not yet spent, committed or designated.

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams. The trustees have determined that the appropriate level of restricted funds and unrestricted funds within reserves should be equivalent to at least one months' expenditure, which is approximately £365,000. This is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The academy's level of free revenue reserves for 2020-2021 is £1,600,712 comprising unrestricted funds of £137,081 and restricted general funds of £1,463,631 (excluding the pension reserve of £2,514,000).

The amount that can only be realised by disposing of tangible fixed assets is £5,467,716.

The reserves this year includes figures for both future commitments/projects and a certain level of reserves to cushion the impact of future funding reductions anticipated.

We are also planning for our future sustainability and recognise that significant investment will be required in two main areas.

- Additional Sixth form areas needed to cater for increased numbers on role and;
- Specific curriculum initiatives with regards to refurbishment of classrooms, resources and our PE courts to reflect condition, curriculum offer and demand.

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

b. Investment policy

During the year the Academy trustees agreed to hold £650,000 in short term interest-earning deposits.

c. Principal risks and uncertainties

Based on the strategic plan, the Governors and Senior Leadership Team undertake a comprehensive review of the risks to which the academy is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the academy.

The internal controls for managing risks deemed as medium and high are incorporated into an annual risk management action plan. The effectiveness of the academy's internal controls in managing the risks identified is regularly monitored.

A thorough appraisal is undertaken in the subsequent year of the existing risks and any emerging risks, for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Governors and senior Leadership Team will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the academy.

A risk register, covering low, medium and high level risks, is maintained at academy level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

The academy's approach to risk management is supported by a risk management training programme which raises awareness of risk throughout the academy. In addition, Heads of Department and Head Teachers incorporate risk management in their self-assessment reports and quality improvement plans.

Outlined below is a description of the principal risk factors that may affect the academy. However, not all factors are within the academy's control and other factors besides those listed below may also adversely affect the academy.

1. Government funding

The academy has considerable reliance on continued government funding through the Education Skills Funding Agency (ESFA) and the Local Authority, this risk has and will be mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements;
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;
- Ensuring the academy is focused on those priority sectors which continue to benefit from public funding;
- Contingency planning embedded into the academy budget process.

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the local government pension scheme deficit on the academy's balance sheet in line with the requirements of FRS 102.

The academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

3. Pupil Strategy

The academy seeks to maintain its popularity with current and prospective pupils by:

- ensuring the academy delivers high quality education and training;
- maintaining outstanding success rates and good inspection outcomes; and
- investing in its teaching staff and resources.

This places the academy in an excellent position to attract new pupils.

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

Fundraising

We do not carry out any fundraising activities for the Academy's own benefit, other than voluntary non-uniform days for the students where £1 is charged, and any funds raised are paid into our pupil welfare fund, which form part of our School Fund Accounts.

We do not work with any professional fundraisers.

If we were to fundraise, we would conform to recognised standards, would monitor the fundraising activities appropriately, would handle any fundraising complaints professionally and would protect the public, including vulnerable people, from unreasonably intrusive or persistent approaches.

Plans for future periods

The school is seeking to exploit the opportunities afforded by conversion to academy status. Initially by utilising increased financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate. The academy continues to pursue opportunities for MAT development within a local context.

Funds held as custodian on behalf of others

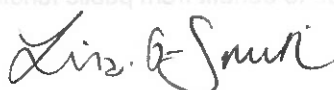
The Academy has no such funds held.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on *23 November 2021* and signed on its behalf by:



Mrs L Smith
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

The following table provides information on the Trustees' responsibilities and the Board's composition. The table is presented in reverse order of the Trustees' names as they appear in the Governance Statement.

Trustee's name	Trustee's position	Trustee's responsibilities	Trustee's contact details
Mr. Alan Jones	Chairman	Overall responsibility for the school's performance and financial health.	01234 567890
Mrs. Jane Smith	Trustee	Responsible for the school's financial management.	01234 567890
Mr. Stephen Clark	Trustee	Responsible for the school's governance and compliance.	01234 567890
Mrs. Lisa Dawson	Trustee	Responsible for the school's health and safety.	01234 567890
Mr. Peter Hunt	Trustee	Responsible for the school's curriculum and standards.	01234 567890
Mr. Asok Kumar	Trustee	Responsible for the school's staff and resources.	01234 567890
Mr. Christopher Collins	Trustee	Responsible for the school's community relations.	01234 567890
Mrs. Emma Jean Heath	Trustee	Responsible for the school's equality and diversity.	01234 567890
Mrs. Julie Wise	Trustee	Responsible for the school's environmental impact.	01234 567890
Mr. Colin Neenan	Trustee	Responsible for the school's external relations.	01234 567890
Mrs. Lisa Thompson	Trustee	Responsible for the school's internal control.	01234 567890

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Trustees have formally met three times during the year.

This number of meetings is considered more than adequate for a single academy trust and satisfies the criteria in the Academy Trust Handbook that board meetings must take place at least three times a year. All Trustees are also meeting a further three or four times a year as part of the Standards and Outcomes or the Finance, Personnel and Premises (incorporating the Audit and Risk) committees.

Monthly management accounts are already shared with all Trustees on a monthly basis, but the Trustees plan to formalise this process and to include the review of the most recent monthly management accounts at all Full Governor meetings as well as at the Finance, Personnel and Premises meetings, as is the current practice. These meetings will total 6 each year.

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

Trustee	Meetings attended	Out of a possible
Mr Christopher Collins, Staff Trustee	2	3
Mr Stephen Crozier	3	3
Mrs Lisa Dawson	3	3
Mr Andrew Fulbrook, Headteacher	3	3
Mrs Emmajean Hearn	2	3
Mr Peter Hunn	3	3
Mr Ashok Kumar	0	0
Mr Colin Needham, Staff Trustee	2	3
Dr Sunil Panjwani	0	3
Mrs Lisa Smith, Chair of Trustees	3	3
Mrs Julie Wise, Staff Trustee	3	3

The Finance, Personnel and Premises committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the financial, personnel and premises areas of the academy, reporting back to the governing body on a regular basis. This committee also incorporates the audit and risk committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Andrew Fulbrook (Headteacher)	4	4
Mrs Lisa Smith	4	4
Mr Stephan Crozier	3	4
Mrs Lisa Dawson (Chair FPP)	4	4
Mr Peter Hunn	4	4
Mr Ashok Kumar	2	4
Mr Christopher Collins	3	4
Mrs Emmajean Hearn	0	4
Mrs Julie Wise	3	4
Mr Colin Needham	4	4
Mr Carl Richmond	0	0

The Standards and Outcomes committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the Standards of Behaviour, Safety and Academic progress are monitored, challenged and supported by the Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Andrew Fulbrook (Headteacher)	3	3
Mr Carl Richmond	0	0
Dr Sunil Panjwani	0	3
Mrs Lisa Smith	2	3
Mr Stephen Crozier	2	3
Mrs Lisa Dawson	3	3
Mr Peter Hunn (Chair)	3	3
Mr Ashok Kumar	0	3
Mr Christopher Collins	2	3
Mrs Emmajeane Hearn	2	3
Mrs Julie Wise	3	3
Mr Colin Needham	3	3

Review of value for money

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

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

Ensuring all staffing structures are efficiently designed and are in place to deliver value for money and high standards and outcomes for the academy business and for learners. Through restructuring, review of opportunities (when faced with resignations) and through appraisal processes, academy staffing structures are highly efficient and cost effective.

Furthermore, those responsible for budget headings are now required to link expenditure to subject / department priorities and deploy best practice in relation to financial procurement. As a result, expenditure has been significantly reduced on capitation and consumable items.

Site improvements, repairs and refurbishments have been managed effectively through the use of external contractors (best value) and, more evident this year, the use of our highly skilled and resourceful site team who have undertaken many refurbishment projects and have saved significant funds in the process. These range from decorating, flooring, plumbing, electrical through to grounds, site and facilities and include the completion of our canteen extension.

BOSTON HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Boston High School for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees Report;
- regular reviews by the Finance, Audit and Premises 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 decided to buy-in an internal audit service from BHP.

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

- Cash and Bank
- Budget and Financial Monitoring
- Compliance
- Income
- Expenditure
- Fixed Assets
- Payroll

On a bi-annual basis, the auditor reports to the board of trustees, through the audit and risk committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and bi-annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider areas to include in the internal audit plan for the next internal audit.

BOSTON HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

It is the intention of the Board to look for an internal audit provider who can carry out internal audit visits on a quarterly basis – as the current internal auditors are constrained by the year end audit work they need to undertake for other clients and cannot therefore provide any internal audits between September and December each year.

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

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

Approved by order of the members of the Board of Trustees on *23 November 2021* and signed on their behalf by:



Mrs L Smith
Chair of Trustees



Mr A Fulbrook
Accounting Officer

BOSTON HIGH SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Boston High School I have considered my responsibility to notify the Academy trust governing body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy trust, under the funding agreement in place between the Academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



Mr Andrew Fulbrook
Accounting Officer
Date: 23 November 2021



Mr A Fulbrook
Accounting Officer



Mrs J Smith
Chair of Trustees

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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

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

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

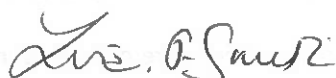
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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
23 November 2021 and signed on its behalf by:



Mrs L Smith
Chair of Trustees

BOSTON HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOSTON HIGH SCHOOL**

Opinion

We have audited the financial statements of Boston High School (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOSTON HIGH SCHOOL (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOSTON HIGH SCHOOL (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOSTON HIGH SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other management obtained as part of the work required by auditing standards. We have also discussed with the Directors and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. Firstly, the company is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. This included the identification and testing of unusual material journal entries and challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.

Secondly, the company is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Ofsted rating, Health & Safety Law, HR & minimum wage law, Company Law, compliance with the Funding agreement, compliance with the Academies Financial Handbook and the completion of DBS checks.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection. We have performed audit work through enquiries with management regarding any non-compliance and reviewed all available information to assess whether any breaches have been found. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

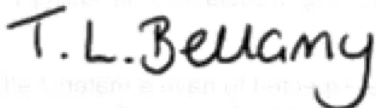
BOSTON HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOSTON HIGH SCHOOL (CONTINUED)**

Auditors' report.

Use of our report

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



Tara Bellamy FCA (Senior statutory auditor)
for and on behalf of
Duncan & Toplis Limited
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 30 November 2021

Secondly, the company's supply of other laws and regulations where this compliance for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: OHS rating, Health & Safety Law, HR & minimum wage law, Company Law, compliance with the Funding agreement, compliance with the Academies Financial Handbook and the completion of DTS checks.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection. We have performed audit work through enquiries with management regarding any non-compliance and reviewed all available information to assess whether any breaches have been found. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BOSTON
HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 15 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Boston High School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Boston High School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Boston High School's funding agreement with the Secretary of State for Education dated 27 July 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Conclusion

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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

T. L. Bellamy

Tara Bellamy FCA (Senior statutory auditor)
Duncan & Topliss Limited
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 30 November 2021

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

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

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

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academies issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	-	18,783	18,783	22,962
Other trading activities	5	6,632	33,290	-	39,922	127,450
Investments	6	1,898	-	-	1,898	6,216
Charitable activities:	4					
Funding for the academy trust's educational operations		-	4,449,448	-	4,449,448	4,036,714
Total income		8,530	4,482,738	18,783	4,510,051	4,193,342
Expenditure on:						
Charitable activities:						
Academy trust educational operations		6,632	4,228,628	149,764	4,385,024	4,174,554
Total expenditure		6,632	4,228,628	149,764	4,385,024	4,174,554
Net income/(expenditure)		1,898	254,110	(130,981)	125,027	18,788
Transfers between funds	20	-	(24,588)	24,588	-	-
Net movement in funds before other recognised gains/(losses)		1,898	229,522	(106,393)	125,027	18,788
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	28	-	(354,000)	-	(354,000)	(328,000)
Net movement in funds		1,898	(124,478)	(106,393)	(228,973)	(309,212)

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Reconciliation of funds:						
Total funds brought forward		135,183	(925,891)	5,577,979	4,787,271	5,096,483
Net movement in funds		1,898	(124,478)	(106,393)	(228,973)	(309,212)
Total funds carried forward		137,081	(1,050,369)	5,471,586	4,558,298	4,787,271

BOSTON HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08314283

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	5,467,716	5,576,812
Current Assets			
Stocks	14	831	2,188
Debtors	15	160,116	136,972
Investments	16	500,000	500,000
Cash at bank and in hand		1,218,258	765,211
Liabilities		1,879,205	1,404,371
Creditors: amounts falling due within one year	17	(274,268)	(189,381)
Net current assets		1,604,937	1,214,990
Total assets less current liabilities		7,072,653	6,791,802
Creditors: amounts falling due after more than one year	18	(355)	(531)
Net assets excluding pension liability		7,072,298	6,791,271
Defined benefit pension scheme liability	28	(2,514,000)	(2,004,000)
Total net assets		4,558,298	4,787,271
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	5,471,586	5,577,979
Restricted income funds	20	1,463,631	1,078,109
Restricted funds excluding pension liability	20	6,935,217	6,656,088
Pension reserve	20	(2,514,000)	(2,004,000)
Total restricted funds	20	4,421,217	4,652,088
Unrestricted income funds	20	137,081	135,183
Total funds		4,558,298	4,787,271

BOSTON HIGH SCHOOL
 (A company limited by guarantee)
 REGISTERED NUMBER: 08314283

BALANCE SHEET (CONTINUED)
 AS AT 31 AUGUST 2021

The financial statements on pages 29 to 63 were approved by the Trustees, and authorised for issue on
 23 November 2021 and are signed on their behalf, by:

Mrs L Smith
 Mrs L Smith
 Chair of Trustees

4,787,371	4,588,298		Total net assets
(5,814,000)	(5,814,000)	25	Defined benefit pension scheme liability
8,191,371	1,073,298		Net assets excluding pension liability
(23)	(23)	25	Creditors: amounts falling due after more than one year
			Total - assets less current liabilities
4,787,371	4,787,371		Total current assets
			Funds of the Academy
			Restricted funds:
			Pension reserve
(2,004,000)	(2,814,000)	20	
			Restricted funds excluding pension liability
8,888,088	6,998,217	20	
			Restricted income funds
1,078,109	1,483,831	20	
			Fixed asset funds
2,677,979	8,417,888	20	
			Restricted funds
4,852,088	4,937,217	20	Total restricted funds
138,183	137,081	20	Unrestricted income funds
4,787,371	4,858,898		Total funds

BOSTON HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	22	483,779	239,963
Cash flows from investing activities	24	(19,987)	(82,826)
Cash flows from financing activities	23	(10,745)	(21,313)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		453,047	135,824
Cash and cash equivalents at the beginning of the year		1,265,211	1,129,387
Cash and cash equivalents at the end of the year	25, 26	<hr/> 1,718,258 <hr/>	<hr/> 1,265,211 <hr/>

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), 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, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

BOSTON HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Charitable activities**

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

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.6 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following basis:

Leasehold land	-	Not depreciated
Leasehold buildings	-	2% Straight line
Furniture and equipment	-	20% Straight line
Computer equipment	-	33% Straight line
Motor vehicles	-	20% 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.

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

1. Accounting policies (continued)

1.8 Stocks

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

1.9 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.

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

Salix loans are initially recognised at the amount received, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest.

1.12 Provisions

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

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

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

1. Accounting policies (continued)

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

1.14 Operating leases

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

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

1. Accounting policies (continued)

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.16 Agency arrangements

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

1.17 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Capital Grants	-	18,783	18,783
School fund income	-	-	-
	<u>-</u>	<u>18,783</u>	<u>18,783</u>

	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Capital Grants	-	18,833	18,833
School fund income	4,129	-	4,129
	<u>4,129</u>	<u>18,833</u>	<u>22,962</u>

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

4. Funding for the academy trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	4,018,865	4,018,865	3,757,439
Other DfE/ESFA grants			
Pupil Premium	57,428	57,428	57,256
Other DfE/ESFA Revenue grants	28,640	28,640	3,520
Teachers pay and pension grants	212,487	212,487	210,546
	-	4,317,420	4,028,761
Other Government grants			
SEN 1-1 Funding	18,121	18,121	7,953
	18,121	18,121	7,953
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	45,960	45,960	-
Coronavirus universal infant free school meals	15,247	15,247	-
Summer school funding	22,390	22,390	-
Mass testing funding	30,310	30,310	-
	113,907	113,907	-
	4,449,448	4,449,448	4,036,714

The academy received £45,960 of funding for catch-up premium and costs incurred in respect of this funding totalled £45,960, with £Nil remaining to be spent in 2021/22.

The academy received £15,247 of funding for coronavirus universal infant free school meals and costs incurred in respect of this funding totalled £15,247, with £Nil remaining to be spent in 2021/22.

The academy received £22,390 of funding for coronavirus summer school funding and costs incurred in respect of this funding totalled £22,390, with £Nil remaining to be spent in 2021/22.

The academy received £30,310 of funding for mass testing funding and costs incurred in respect of this funding totalled £4,219, with the remaining £26,091 to be spent in 2021/22.

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

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Catering income	-	33,290	33,290
Other income	6,632	-	6,632
	<u>6,632</u>	<u>33,290</u>	<u>39,922</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Catering income	-	109,666	109,666
Other income	17,784	-	17,784
	<u>17,784</u>	<u>109,666</u>	<u>127,450</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank account interest	1,898	1,898	6,216
	<u>1,898</u>	<u>1,898</u>	<u>6,216</u>

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NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Funding for the academy trust's educational operations:				
Direct costs	2,994,551	108,032	320,173	3,422,756
Support costs	577,232	171,493	213,543	962,268
	<u>3,571,783</u>	<u>279,525</u>	<u>533,716</u>	<u>4,385,024</u>

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Funding for the academy trust's educational operations:				
Direct costs	2,870,041	106,078	244,219	3,220,338
Support costs	562,368	181,140	210,708	954,216
	<u>3,432,409</u>	<u>287,218</u>	<u>454,927</u>	<u>4,174,554</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Funding for the academy trust's educational operations	<u>3,422,756</u>	<u>962,268</u>	<u>4,385,024</u>

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

8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Funding for the academy trust's educational operations	3,220,338	954,216	4,174,554

Analysis of direct costs

	<i>Educational operations 2021 £</i>	<i>Total funds 2021 £</i>	<i>Total funds 2020 £</i>
Staff costs	2,994,551	2,994,551	2,870,041
Depreciation	149,764	149,764	175,654
Educational supplies	111,149	111,149	48,889
Technology costs	30,642	30,642	15,884
Examination fees	72,242	72,242	60,294
Staff development	7,122	7,122	13,310
Educational consultancy	5,785	5,785	7,781
Other costs	44,916	44,916	21,979
Operating leases	6,585	6,585	6,506
	3,422,756	3,422,756	3,220,338

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	578,232	578,232	562,368
Technology costs	6,570	6,570	8,118
Recruitment and support	2,051	2,051	2,485
Maintenance of premises and buildings	63,866	63,866	74,472
Cleaning	16,544	16,544	12,968
Rent and rates	34,140	34,140	32,762
Energy costs	56,943	56,943	60,337
Insurance	29,236	29,236	28,883
Security	-	-	601
Telephone, postage and stationery	7,026	7,026	19,064
Catering	42,557	42,557	60,480
Other costs	94,672	94,672	58,846
Bank interest and charges	537	537	1,295
Auditors' remuneration	11,435	11,435	10,600
Trustee travel reimbursed	4	4	885
Legal costs	6,305	6,305	9,094
Professional fees	12,150	12,150	10,958
	<u>962,268</u>	<u>962,268</u>	<u>954,216</u>

During the year ended 31 August 2021, the academy incurred the following Governance costs: £29,890 (2020 - £30,652) included within the table above in respect of Funding for the academy trust's educational operations.

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	2020
	£	£
Operating lease rentals	6,585	6,506
Depreciation of tangible fixed assets	149,764	175,654
Loss on disposal of fixed assets	-	2,557
Fees paid to internal auditors	2,200	-
Fees paid to external auditors for:		
- audit	8,000	6,400
- other services	1,235	4,200
	3,572,783	3,432,409

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	2,571,648	2,464,204
Social security costs	244,970	215,248
Pension costs	709,043	686,398
	3,525,661	3,365,850
Agency staff costs	47,122	66,559
	3,572,783	3,432,409

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10. Staff (continued)

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	46	44
Administration and support staff	48	58
Management	2	2
	<u>96</u>	<u>104</u>

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Teachers	42	40
Administration and support staff	30	30
Management	2	2
	<u>74</u>	<u>72</u>

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £80,001 - £90,000	1	1
In the band £110,001 - £120,000	1	1
	<u>2</u>	<u>2</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £637,790 (2020 - £610,467).

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Trustees' remuneration and expenses

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

		2021 £	2020 £
Mr A Fulbrook, Headteacher	Remuneration	115,000 - 120,000	110,000 - 115,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000
Mr C Collins, Staff Trustee	Remuneration	0 - 5,000	0 - 5,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Mr Colin Needham, Staff Trustee	Remuneration	20,000 - 25,000	15,000 - 20,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Mrs J Wise, Staff Trustee	Remuneration	40,000 - 45,000	40,000 - 45,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year, retirement benefits were accruing to 4 Trustees (2020 - 4) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, travel expenses totalling £15 were reimbursed or paid directly to 1 Trustee (2020 - £885 to 1 Trustee).

12. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	6,279,954	335,245	208,236	8,016	6,831,451
Additions	9,205	15,383	16,080	-	40,668
Disposals	-	(34,413)	-	-	(34,413)
At 31 August 2021	<u>6,289,159</u>	<u>316,215</u>	<u>224,316</u>	<u>8,016</u>	<u>6,837,706</u>
Depreciation					
At 1 September 2020	812,211	243,287	194,465	4,676	1,254,639
Charge for the year	108,032	31,149	8,980	1,603	149,764
On disposals	-	(34,413)	-	-	(34,413)
At 31 August 2021	<u>920,243</u>	<u>240,023</u>	<u>203,445</u>	<u>6,279</u>	<u>1,369,990</u>
Net book value					
At 31 August 2021	<u>5,368,916</u>	<u>76,192</u>	<u>20,871</u>	<u>1,737</u>	<u>5,467,716</u>
At 31 August 2020	<u>5,467,743</u>	<u>91,958</u>	<u>13,771</u>	<u>3,340</u>	<u>5,576,812</u>

The Academy's transactions relating to land and buildings included £9,205 for a new pathway.

14. Stocks

	2021 £	2020 £
Canteen stock	<u>831</u>	<u>2,188</u>

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NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2021	2020
	£	£
Trade debtors	1,190	-
Other debtors	4,901	2,817
Prepayments and accrued income	134,521	122,910
VAT recoverable	19,504	11,245
	160,116	136,972
	160,116	136,972

16. Current asset investments

	2021	2020
	£	£
12-month deposit account	500,000	500,000
	500,000	500,000
	500,000	500,000

17. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Salix loans	177	10,745
Trade creditors	57,833	41,645
Other taxation and social security	62,495	54,611
Other creditors	90,488	63,095
Accruals and deferred income	63,275	19,285
	274,268	189,381
	274,268	189,381

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

18. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Salix loans	355	531

The above ESFA Salix loan due within one year and after one year is unsecured, interest free and payable by way of half yearly installments over an eight year period from the date of advance. Loan repayments are effected by way of a deduction from GAG funding.

19. Accruals and deferred income

	2021	2020
	£	£
Deferred income at 1 September 2020	-	14,582
Resources deferred during the year	31,087	-
Amounts released from previous periods	-	(14,582)
Deferred income at 31 August 2021	31,087	-

Deferred income relates to rates relief, Covid testing grant and 16-19 higher needs funding that relates to the following year.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	135,183	8,530	(6,632)	-	-	137,081
Restricted general funds						
General Annual Grant (GAG)	1,036,620	4,043,465	(3,594,327)	(96,789)	-	1,388,969
Other DfE/ESFA grants	43,204	216,527	(216,527)	-	-	43,204
Other income	2,872	33,290	(108,363)	72,201	-	-
Pupil premium	(4,587)	57,428	(51,251)	-	-	1,590
Other grants - local authority	-	18,121	(14,344)	-	-	3,777
Coronavirus catch-up premium	-	45,960	(45,960)	-	-	-
Coronavirus universal infant free school meals	-	15,247	(15,247)	-	-	-
Coronavirus summer school funding	-	22,390	(22,390)	-	-	-
Coronavirus mass testing funding	-	30,310	(4,219)	-	-	26,091
Pension reserve	(2,004,000)	-	(156,000)	-	(354,000)	(2,514,000)
	<u>(925,891)</u>	<u>4,482,738</u>	<u>(4,228,628)</u>	<u>(24,588)</u>	<u>(354,000)</u>	<u>(1,050,369)</u>
Restricted fixed asset funds						
Other DfE/ESFA grants	77,597	18,783	(19,197)	-	-	77,183
Capital expenditure from GAG	118,816	-	(26,127)	24,588	-	117,277

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Capital expenditure from other income	5,381,566	-	(104,440)	-	-	5,277,126
	<u>5,577,979</u>	<u>18,783</u>	<u>(149,764)</u>	<u>24,588</u>	<u>-</u>	<u>5,471,586</u>
Total Restricted funds	4,652,088	4,501,521	(4,378,392)	-	(354,000)	4,421,217
Total funds	4,787,271	4,510,051	(4,385,024)	-	(354,000)	4,558,298

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

20. Statement of funds (continued)

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

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

Other DfE/ESFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education for pupils from a disadvantaged background. Grants also include teachers pay and pension grants which is intended to provide support with the financial implications of teachers' pay awards.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

Devolved capital funding is that provided to academies to use as it see fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted funds based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £156,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £354,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes asset inherited on conversion. The total of resources expended within the fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Unrestricted funds						
General funds	134,549	24,000	(23,366)	-	-	135,183
Restricted general funds						
General Annual Grant (GAG)	743,060	3,757,439	(3,380,370)	(83,509)	-	1,036,620
Other DfE/ESFA grants	43,204	214,066	(214,066)	-	-	43,204
Other income	2,872	113,795	(113,795)	-	-	2,872
Pupil premium	(4,516)	57,256	(57,327)	-	-	(4,587)
Other grants - local authority	3,633	7,953	(11,586)	-	-	-
Other capital grants	-	-	(18,833)	18,833	-	-
Pension reserve	(1,499,000)	-	(177,000)	-	(328,000)	(2,004,000)
	(710,747)	4,150,509	(3,972,977)	(64,676)	(328,000)	(925,891)
Restricted fixed asset funds						
Other DfE/ESFA grants	138,291	18,833	(37,510)	(42,017)	-	77,597
Capital expenditure from GAG	46,190	-	(34,067)	106,693	-	118,816
Capital expenditure from other income	5,488,200	-	(106,634)	-	-	5,381,566
	5,672,681	18,833	(178,211)	64,676	-	5,577,979
Total Restricted funds	4,961,934	4,169,342	(4,151,188)	-	(328,000)	4,652,088

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

20. Statement of funds (continued)

Total funds	<u>5,096,483</u>	<u>4,193,342</u>	<u>(4,174,554)</u>	<u>-</u>	<u>(328,000)</u>	<u>4,787,271</u>
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21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	5,467,716	5,467,716
Current assets	137,081	1,738,254	3,870	1,879,205
Creditors due within one year	-	(274,268)	-	(274,268)
Creditors due in more than one year	-	(355)	-	(355)
Provisions for liabilities and charges	-	(2,514,000)	-	(2,514,000)
Total	<u>137,081</u>	<u>(1,050,369)</u>	<u>5,471,586</u>	<u>4,558,298</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	5,576,812	5,576,812
Current assets	135,183	1,268,021	1,167	1,404,371
Creditors due within one year	-	(189,381)	-	(189,381)
Creditors due in more than one year	-	(531)	-	(531)
Provisions for liabilities and charges	-	(2,004,000)	-	(2,004,000)
Total	<u>135,183</u>	<u>(925,891)</u>	<u>5,577,979</u>	<u>4,787,271</u>

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

22. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	125,027	18,788
Adjustments for:		
Depreciation	149,764	175,654
Capital grants from DfE and other capital income	(18,783)	(18,833)
Interest receivable	(1,898)	(6,216)
Defined benefit pension scheme cost less contributions payable	123,000	147,000
Defined benefit pension scheme finance cost	33,000	30,000
Decrease/(increase) in stocks	1,358	(1,059)
Increase in debtors	(23,144)	(15,724)
Increase/(decrease) in creditors	95,455	(92,204)
Loss on disposal of assets	-	2,557
Net cash provided by operating activities	483,779	239,963

23. Cash flows from financing activities

	2021 £	2020 £
Repayments of borrowing	(10,745)	(21,313)
Net cash used in financing activities	(10,745)	(21,313)

24. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	1,898	6,216
Purchase of tangible fixed assets	(40,668)	(107,875)
Capital grants from DfE Group	18,783	18,833
Net cash used in investing activities	(19,987)	(82,826)

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25. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and at hand	1,068,258	615,211
Notice deposits (less than 3 months)	650,000	650,000
Total cash and cash equivalents	1,718,258	1,265,211

26. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	765,211	453,047	1,218,258
Debt due within 1 year	(10,745)	10,568	(177)
Debt due after 1 year	(531)	176	(355)
Liquid investments	500,000	-	500,000
	1,253,935	463,791	1,717,726

27. Contingent liabilities

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

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

28. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lincolnshire County Council. Both are multi-employer defined benefit schemes.

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28. Pension commitments (continued)

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

Contributions amounting to £65,228 were payable to the schemes at 31 August 2021 (2020 - £58,391) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £447,086 (2020 - £419,721).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £174,000 (2020 - £152,000), of which employer's contributions totalled £139,000 (2020 - £120,000) and employees' contributions totalled £ 35,000 (2020 - £32,000). The agreed contribution rates for future years are 18.6 per cent for employers and 5.5 - 8.5 per cent for employees.

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

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

The LGPS is in deficit. In order to finance the academy's share of the deficit, the academy trust has entered into an agreement to make additional lump sum contributions in addition to the normal funding levels for future years. The agreed additional contributions are 2020/21 £28,000, 2021/22 £29,000 and 2022/23 £30,000.

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.20	2.50
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.65	1.70

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.2	21.4
Females	23.6	23.7
<i>Retiring in 20 years</i>		
Males	22.0	22.4
Females	25.1	25.2

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

Sensitivity analysis

	2021 £000	2020 £000
Discount rate -0.1%	123	98
Mortality assumption - 1 year increase	204	144
CPI rate +0.1%	96	80

Share of scheme assets

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

	2021 £	2020 £
Equities	1,476,000	1,101,000
Corporate bonds	293,000	319,000
Property	213,000	160,000
Cash and other liquid assets	78,000	16,000
Total market value of assets	2,060,000	1,596,000

The actual return on scheme assets was £28,000 (2020 - £28,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(262,000)	(267,000)
Interest income	28,000	28,000
Interest cost	(61,000)	(58,000)
Total amount recognised in the Statement of financial activities	(295,000)	(297,000)

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

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

	2021 £	2020 £
At 1 September	3,599,000	2,913,000
Current service cost	262,000	267,000
Interest cost	61,000	58,000
Employee contributions	35,000	32,000
Actuarial losses	670,000	352,000
Benefits paid	(53,000)	(23,000)
At 31 August	4,574,000	3,599,000

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

	2021 £	2020 £
At 1 September	1,595,000	1,414,000
Interest income	28,000	28,000
Actuarial gains	316,000	24,000
Employer contributions	139,000	120,000
Employee contributions	35,000	32,000
Benefits paid	(53,000)	(23,000)
At 31 August	2,060,000	1,595,000

29. Operating lease commitments

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	4,972	4,972
Later than 1 year and not later than 5 years	12,430	17,402
	17,402	22,374

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30. 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.

31. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

32. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £22,381 (2020 - £15,505) and disbursed £6,857 (2020 - £21,488) from the fund. The outstanding balance at the year end was £16,314 (2020 - £790).