

THE MISBOURNE
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

THE MISBOURNE
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Capron P Chatwin (appointed 1 April 2020) A E Garnett P A Thompson
Trustees	J A Anderson (resigned 18 October 2019) I Arif (resigned 18 October 2019) W G Bradley (resigned 15 October 2019) K Brannan (Goodwin), Chair of Trustees P Brown A M Coneron D M Harris F E A Hughes (appointed 26 November 2019) C Lloyd-Staples (resigned 26 November 2019) J M Marchant (resigned 11 February 2020) J M Meloni E V Moseley (appointed 9 December 2019) P Withams (appointed 30 September 2020)
Company registered number	11024953
Company name	The Misbourne
Principal and registered office	Misbourne Drive Great Missenden Buckinghamshire HP16 0BN
Senior management team	J Meloni, Headteacher A Barrett, Deputy Head L Kelly, School Business Manager (appointed 19 June 2020) M Lyons, Assistant Head T Griffiths, Assistant Head M Worth, Assistant Head (appointed 1 September 2019) J Adair, School Business Manager (resigned 19 June 2020) D Dwight, Head of Sixth Form
Independent auditor	James Cowper Kreston Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees of The Misbourne are pleased to present their annual report together with the financial statements and auditor's report for the year to 31st August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Misbourne is an Academy for students aged 11 to 18 serving a catchment area of South Buckinghamshire encompassing Great Missenden and surrounding towns and villages. It has a pupil capacity of 1127 and had a roll of 1028 in the Spring 2020, (16 January 2020) academy census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of The Misbourne Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Misbourne.

Details of the Trustees who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Trustees' Indemnities

The Articles of Association state that every Trustee shall be indemnified out of the assets of the Charitable Company against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of The Misbourne.

The Academy has joined the Department for Education's Risk Protection Arrangement, which reimburses the Academy in the event of loss under the RPA membership rules including employer's liability, public liability and professional indemnity risks. Trustees benefit from indemnity insurance to cover the liability of the Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

Method of Recruitment and Appointment or Election of Trustees

The Articles of Association require the make-up of the Trustee Board to be as follows:

- The Members may appoint up to 7 Trustees;
- A minimum of 2 Parent Trustees shall be elected by parents and individuals exercising parental responsibility of registered pupils at the Academy. A Parent Trustee must be a parent, or an individual exercising parental responsibility, of a registered pupil at the Academy at the time when he/she is elected;
- Provided that the Headteacher agrees, the Members may appoint the Headteacher as a Trustee.
- Trustees that have not themselves been co-opted, may appoint co-opted Trustees

Trustees who are employees of the Academy (including the Headteacher) cannot exceed one third of the total number of Trustees.

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TRUSTEES' REPORT (CONTINUED)
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Method of Recruitment and Appointment or Election of Trustees (continued)

The minimum number of Trustees is three, there is no maximum.

The term of office for any Trustee is normally four years excepting the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustees can be re-appointed or re-elected.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

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

There is a Trustees training day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities. New Trustees have the opportunity to undertake National Governance Association (NGA) training and all Trustees receive regular NGA updates.

In 2019 the Trustee board initiated an external review of governance, which covered all aspects of governance from composition of the Trustee Board to engagement with the Academy and the administrative routines that underpin the Boards knowledge levels and decision making effectiveness. As a result of this review a number of changes were implemented which have yielded positive results in the complex, changing and challenging circumstances that we have seen during this year. It was agreed that a follow up to this review would take place in 2020 to ensure that the Trustee board continues to improve its effectiveness. The findings of this review will be used in our ongoing planning, training and recruitment of Trustees.

Organisational Structure

The structure consists of three levels: the Members, Trustees and Senior Leadership Team. The aim of the management structure is to develop responsibility and encourage involvement in decision making at all levels.

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

- There were two Committees of the Trustee Board as follows: Organisation Committee (including Finance and Audit)
- Pay Review Committee

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

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

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

Organisational Structure (continued)

During the year, the Senior Leadership Team (SLT) comprised the Headteacher, Deputy Headteacher, three Assistant Headteachers and the Business Manager. These leaders control the Academy at an executive level implementing the policies laid down by Trustees and reporting back to them. As a group, the SLT are responsible for the authorisation of spending within agreed budgets and the appointment of staff, with the exception of senior leadership appointments which are made in conjunction with the Trustees. Some spending control is devolved to budget holders, authorisation limits are defined in The Misbourne Financial Procedures and Financial Scheme of Delegation.

The Headteacher assumes the accounting officer role.

Arrangements for setting pay and remuneration of key management personnel

The Trustee Board follows the requirements of the School Teachers' Pay and Conditions Document ("The Document") in implementing the pay policy for teaching staff at the academy. The Pay Policy of The Misbourne mandates that the Trustee Board will ensure that every teacher's salary is reviewed with effect from 1 September each year and no later than 31 October each year with the exception of the headteacher where the review must be carried out by 31 December.

Setting pay ranges for Senior Managers

The Pay Review Committee has established appropriate ranges for each member of SLT. The individual ranges are reviewed on a regular basis, but not more than once per year. In setting the ranges the Pay Review Committee has regard to the following:

- The school group size in accordance with the provisions of the Document.
- A benchmark headteacher pay range ("benchmark range") for consideration when setting the Headteacher's pay range.

When setting the Headteacher's pay range the Pay review Committee ensures that there is appropriate scope within the range to allow for performance related progression over time.

The Pay review Committee also has discretion to set a pay range in excess of the maximum outlined in the benchmark range where it considers that circumstances specific to the role warrant this. In making this determination, except in exceptional, circumstances, the Committee would ensure that the maximum point on the Headteacher's pay range did not exceed the maximum point on the benchmark pay range by more than 25%. Where exceptional circumstances apply, the Pay Review Committee seeks external advice and supports the decision with a business case.

In setting the pay ranges for the SLT, the Pay Review Committee ensures that the maximum of their ranges do not exceed the maximum of the benchmark range.

Pay progression of Senior Managers

Members of the SLT are not entitled to receive automatic annual increments. The Trustee Board ensures that a review against performance objectives is undertaken annually in accordance with the Misbourne's Performance Development for Teachers policy. Members of the SLT must demonstrate sustained high quality of performance, with particular regard to leadership, and student progress at the academy. The Pay Review Committee will consider recommendations made to it following the performance review and will award a maximum progression of two points within the range where there has been sustained high quality of performance taking into account the performance objectives.

Trade union facility time

The Misbourne do not pay into a trade union facility.

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Related parties and other connected charities and organisations

The Misbourne works closely with a number of local organisations for mutual benefit, including local schools, the Local Authority, Buckinghamshire Education Partnership, Oxford University, ASTRA Teaching School Alliance and Canons Teaching School Alliance.

The School has a very strong link with a registered charity, The Misbourne School Fund (Charity No. 1068203) and provides the Trustees for that charity. The Academy exerts control over the charity by virtue of the composition of its Board, which is made up of senior staff of the Academy and the Chair of the Trustee Board. The charity is therefore considered to be a subsidiary and has been consolidated into these accounts.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust's object is to advance, for the public benefit, education in the United Kingdom, by maintaining, managing and developing an academy, offering a broad and balanced curriculum. A further objective is to promote for the benefit of the inhabitants of Great Missenden and the surrounding area the provision of facilities for recreation, or other leisure time occupation, in the interests of social welfare and with the object of improving the condition of life of the inhabitants.

Objectives, Strategies and Activities

The Vision of The Misbourne is "To develop world-class students who have the belief in themselves that anything is possible and to lead happy and successful lives". The aim of the vision is both to develop The Misbourne's students as leaders of tomorrow, but also to:

- Achieve the highest possible academic qualifications having followed personalised learning programmes
- Develop as young citizens who live our key values (ambition and pride; kindness and respect; equality and moral purpose; teamwork and resilience) both in school and the wider community.
- Be enterprising, resilient, creative, innovative and adaptable
- Be lifelong learners
- Be confident users of digital technology
- Be globally aware

The Vision was underpinned by a three-year strategic plan, The key priorities for the period were:

1. Quality of education – ensuring our curriculum, assessment and quality of teaching and learning, all support students to achieve their very best.
2. Behaviour and attitudes – focusing on closing the gaps in attendance; embedding a new Behaviour for Learning policy that has restorative conversation and reward at the centre. Development of a new pastoral structure and continued utilisation of our careers expertise to support other schools locally and nationally.
3. Personal development – Ensure compliance with new national guidelines; review enrichment provision and develop our support for mental health and wellbeing.
4. Sixth Form Provision – Raise academic standards; increase recruitment into the sixth form and further develop students' leadership.
5. Leadership and management – Introducing and embedding our new vision and values; develop staff in their ability to positively impact on students' opportunities and outcomes, whilst taking into account their mental health and wellbeing; lead transition to 'schools within schools' system; further develop governance and ensure a robust compliance framework is established through effective monitoring and controls.

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FOR THE YEAR ENDED 31 AUGUST 2020

Public Benefit

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

The activities undertaken to further the Academy's purpose for the Public Benefit for the provision of educational facilities and services to students and the wider community include:

- Education of young people aged 11 to 18 from Great Missenden and the surrounding communities
- Making school buildings and facilities available for use outside the school day
- Engagement with the local community to ensure the school is acting responsibly and to mutual benefit

STRATEGIC REPORT

Academy's response to COVID-19

- We acted swiftly in response to government expectations to ensure a move to remote learning prior to the lockdown commencing in March 2020.
- Throughout this period, we communicated well with all key stakeholders (unions, families, trustees and staff). We know this because of the numerous messages of support. We prioritised the children of key worker and vulnerable learner's provision, ensuring that this was set-up and ready for those families. Staff responded well and a rota was set-up with a plan for their learning.
- We ensured that consideration for wellbeing (students and staff) was at the forefront of all decision making.
- FSM voucher scheme and alternative method (notwithstanding the teething issues of the voucher scheme), the academy provided continued support via alternative methods.
- Government laptop scheme was problematic, but we overcame this via our own schemes.
- Control measures were put in place throughout the academy and communicated to all stakeholders by producing families and staff guidance documents. These were revised and reissued in line with developing government advice.
- SLT worked with trustees, union representatives and staff to ensure engagement was achieved prior to re-opening the academy in June and again in preparation for the wider academy opening in September.
- A risk assessment was formulated and shared with all stakeholders. This was updated as required and reissued to stakeholders.

Achievements and performance

The total number of students at the point of conversion 1 January 2018 was 987, this increased to 1028 in the Spring of 2020, (16 January 2020) academy census. This is a reflection on the continued rising demand for places at the Academy in recent years.

The Academy is committed to continual improvement, which is achieved in several ways, including, improvement planning, review meetings, continual professional development, lesson reviews, performance management, self-evaluation, data analysis and action planning.

Staff continued professional development and learning (CPDL) remains a high priority for the Academy. A clear focus and improved monitoring of CPDL has helped to establish a clearer link between CPDL and school improvement priorities. With improved outcomes in 2019 and Centre Assess Grades (CAGs) from 2020, one may conclude that expenditure on CPDL, both financial and human has contributed to the raising of academic outcomes. This is particularly evidenced in maths, science and modern foreign languages.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

The Academy continues its emphasis on the wider curriculum and enriching opportunities for all of its students. In the last academic year 21 trips took place, an additional 18 were cancelled/did not take place. No overseas trips took place due to COVID-19. Refunds were issued for trips that were unable to take place. The academy worked with trip providers and the RPA Insurance scheme to facilitate this. Trips took place across a large number of areas of the curriculum and either supported GCSE, A Level or vocational qualification specifications; the personal development curriculum; careers curriculum or simply wider curriculum or enriching opportunities such as the Duke of Edinburgh Award and World Challenge were impacted by the COVID-19 pandemic.

We have been the Lead School for the Buckinghamshire Careers Hub for two years. In that time, we have supported our Hub (of 21 schools), to be one of the highest performing nationally against the Gatsby benchmarks of which we consistently achieve all 8. We were granted permission and funding to expand our Hub to all the secondary schools in Buckinghamshire.

We have continued our IT investment and development through the integration of our management information system with Teams and escalated plans to support remote learning during COVID-19; renewed hardware to support remote learning for teaching staff and our implementation of Office 365 with a specific focus on One Drive and Teams.

Key Performance Indicators

Outcomes for the Academy during the period ended 31 August 2020 were impacted by the national school lockdown (March 2020). It was later agreed that CAGs would be awarded as student outcomes. We are therefore unable to comment on this year on progress, as this has not been calculated nationally.

2020 CAGs and trends at Key Stage 4:

- 79% achieved at least Level 4 in both English and Maths (74% 2019)
- 59% achieved at least Level 5 in both English and Maths (53% 2019)
- 30% achieved at least 5 qualifications graded 9-6 including English and Maths (33% 2019)
- More than a quarter of all grades were equivalent to the highest grades 9-7/A*/A (21% 2019)
- 54% achieved at least 5 grades 9-5 including English and Maths (47% 2019)
- 76% achieved at least 5 grades 9-4 (71% 2019)
- 72% gained at least grade 4 (standard pass) for science (68% 2019)
- 53% gained at least grade 5 (higher pass) for science (44% 2019)
- 63% gained at least grade 4 for humanities (50% 2019)
- 40% gained at least grade 4 for languages (33% 2019)

2020 A-Level /Vocational Results:

- Average Points Score (APS) for best 3 A Levels has risen from 25.7 (2018) to 29.0 (2019) equivalent to grade C (2018 was D+).
- APS for academic qualifications = 36.4 B- (28.2 C- 2019; 26.2 C- 2018)
- Average points/entry for applied general is 36.7 D+; (33.13 2019)
- The KS5 Value Added (VA) score for academic qualifications has increased for the past two years 0.01 2019 (-0.09 2018) (no data available for 2020).
- Results were above or equal to National Average for the % A*-E for 5 facilitating subjects (English Literature, Physics, Biology, History and Languages) and above BNSS for Mathematics A Levels (2019 data only).

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

FINANCIAL REVIEW

Going Concern

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

Trustees have considered the impact of COVID-19 and the trusts ability to continue for 12 months from the signing of these accounts and have concluded that the trust remains a going concern.

Financial Report for the year

The majority of the Academy's income is received from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG) and related grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the period ended 31 August 2020, the total expenditure of £6,214,669 (2019 - £5,474,490) was covered by GAG funding from the ESFA, together with other incoming resources. The excess of incoming resources over total expenditure for the period was (£72,946) (2019 - £98,408), these figures include pensions deficit and restricted fixed asset fund.

The net book value of fixed assets at 31 August 2020 were £18,927,909 (2019 - £19,103,739), which includes depreciation charges for the period of £242,497 (2019 - £216,433). The fixed assets held by the Academy are used exclusively for providing education and associated support services to the pupils of the Academy.

The balance of total funds held at 31 August 2020 was £18,798,254 (2019 - £18,849,200) which comprised of the following:

• Restricted Funds (excluding Pension Liability)	£844,889	(2019 - £598,773,598,773)
• Restricted Pension Liability Fund	(£1,433,000)	(2019 - (£1,262,000))
• Restricted Fixed Asset Fund	£19,172,796	(2019 - £19,385,216)
• Unrestricted Funds	£213,569	(2019 - £127,211)

At the balance sheet date, the Academy had no significant liabilities arising from trade creditors or debtors where there would be significant effect on the Academy's liquidity.

The Academy has received notification from Buckinghamshire Council that the Local Government pension scheme deficit as at 31 August 2020 was valued at £1,433,000 (2019 - £1,262,000). The Trustees recognise that the deficit represents a significant potential liability to the Academy. However, as the Trustees consider the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is not considered a material risk to the Academy.

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TRUSTEES' REPORT (CONTINUED)
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Principal Financial Management Policies

At the start of the year the Academy sets its budget having regard to:

- The outturn from the previous year
- Realistic assumptions regarding key items of income and expenditure
- 3-year budget plans based on a range of scenarios
- The costed school improvement plan
- Strategic curriculum planning
- Asset management plans
- Key financial pressures and risks
- The reserve policy

Performance against budget is monitored by the Headteacher and School Business Manager via monthly management reports that are also circulated to all Trustees and scrutinised by the Organisation Committee at its meetings. The management reports contain a forecast outturn position that include the likely variance from budget at the end of the year. If appropriate, the budget may be adjusted throughout the year in accordance with the Academy's Financial Handbook.

Key Financial Performance Indicators

The Academy Trust has established KPIs and for the financial year ended 31 August 2020 they included:

- Maintain the overall percentage of funds spent on staffing below 80% of revenue expenditure for 2019/20, this has been achieved with staff costs at 69.96%
- Demonstrate through benchmarking that the Academy Trust's areas of expenditure are appropriate and in keeping with similar schools. This has been achieved following the School Resources Management Self-Assessment and a financial benchmarking review.

Financial benchmarking

Annual benchmarking has taken place using Kreston Academies Benchmarking report 2020 and the academies' benchmarking website. The data has been compared to the Misbourne for the same period.

Some of the key performance measures from benchmarking are shown below:

Focus	The Misbourne 2019/20	Kreston Academies Benchmarking Report 2020
Staff costs as a % of total costs	70.36%	69.80%
Teacher contact ratio	0.76	ASCL Aspirational target 0.78
Non-staff costs as a % of total costs	29.75%	27.4%
Cash reserves	£616,423	£824,000

We used the schools financial benchmarking service to compare ourselves to ten comparable academies in Buckinghamshire. We have identified that our expense per pupil is the lowest out of the ten academies. Our income per pupil is the second lowest for grant funded income. The table below shows the range of income and expenditure across the ten academies.

	The Misbourne	Average	Lowest	Highest
Income	£4,937	£5,285	£4,851	£5,912
Expenditure	£4,877	£5,685	£4,877	£6,867

In summary we have effectively managed our income and expenditure for the financial year 2019/20. On average expenditure has been higher than income across the comparator academies.

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TRUSTEES' REPORT (CONTINUED)
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Reserves Policy

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

The Trustees have determined that the appropriate level of free cash reserves should be approximately equal to two months expenditure, which would currently equate to £893,000. This contingency provides sufficient working capital to cover delays between spending and receipt of grants and a cushion to deal with unexpected emergencies such as urgent maintenance.

The Academy's current level of reserves (defined as restricted general funds, excluding pension reserve, plus the balance on unrestricted funds) is £926,039, of which £213,569 is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

The Academy's current level of reserves is below our target level. Steps are being taken, to increase the unrestricted reserves, these include provision within the budget for 1% of income to be reserved each year until these levels are achieved.

Investment Policy

The Trustees investment powers are set down in the Memorandum and Articles of Association which permit the investment of monies of the Academy that are not immediately required for the furtherance of its objects and aims.

While the Academy still requires continual capital investment in its premises and infrastructure, there is unlikely to be any long-term build-up of capital. Surpluses are, therefore, only invested in bank deposit accounts and not in other financial instruments. The Academy works with its bank to ensure any deposits earn the maximum amount of interest available. In reality as interest rates remain low, income from this type of investment is not significant.

Principal Risks and Uncertainties

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

Financial

The Academy relies on continued Government funding through the ESFA, which has been subject to continual review to create a national funding formula. Whilst the Academy is currently oversubscribed, risks to revenue funding from a falling roll are small. However, the current uncertainty regarding the Governments overall education budget, changes in funding arrangements for special educational needs and the increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

Governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy's finances, internal controls and compliance with regulations and legislation. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks. Future plans to enhance controls in this area include the purchase and implementation of new software to track, monitor and report on actions arising from external audits or internal reviews of compliance areas

Staffing

The success of the Academy is reliant on the quality of its staff. The Trustees monitor and review policies and procedures to ensure continued development and training of staff, as well as ensuring there is clear succession planning. Wellbeing has been a particular concern during the COVID-19 pandemic. Measures were put in place to monitor and check in with staff throughout the lockdown period. Plans have been put in place to set up a well-being working group in the next academic year.

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TRUSTEES' REPORT (CONTINUED)
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Principal Risks and Uncertainties (continued)

COVID-19

The risk in this area arises from COVID-19 measures having an impact on the Academy's ability to deliver provision. Continual risk assessment is undertaken to ensure control measures are effective and reflect latest government and public health guidance. Alternative ways to deliver the provision have been and continue to be developed. The costs in year were managed within the budget. However, if costs continue to rise within cleaning and supply over the next year it is likely investment will be required from reserves.

Risk Management

The Academy has an active risk register for logging and mitigating risks, these are categorised into: Strategic & Reputational; Compliance; Governance; Operational; Financial. This is periodically reviewed by the Audit Committee and reviewed termly by the SLT.

The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

The Trustees have assessed the major risks to which the Academy is exposed. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Trustees have ensured the Academy has adequate insurance cover.

The Trustees examine the financial health of the Academy formally every month, reviewing performance against budgets and overall expenditure by means of regular update reports at all Trustee Board and Organisation Committee meetings.

At the balance sheet date, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy's liquidity.

Fundraising

The academy has setup a school fund (MizFund) to raise funds for resources for the academy.

Each parent has the opportunity to donate once per term via the online payment system. Any donation is voluntary, there is an option to "gift aid" contributions. The school fund is aimed at providing the best education for all. Each year we publish in the school newsletter and summarise how we have spent funds donated by parents.

Additionally, there is a 'Pitch In' fund that is raising funds for the new sporting facilities that the academy is developing with the Local Authority. Donations can be made via the online payment system by parents and additionally we have received some donations from local businesses.

We have a sponsorship policy which is published on our website and shows the guidelines we follow before entering into any sponsorship agreement.

The Academy maintains a distinct separation between sponsor messaging and any other academy policy, activity, process or editorial content in published and online material.

The academy trust has not used any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Due to the impact of COVID-19 we were unable to run one of our annual major fundraising events and therefore income is down by 55% on 2018/19

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PLANS FOR FUTURE PERIODS

Our new vision 'To develop world-class students who have the belief in themselves that anything is possible and lead happy and successful lives' not only cements our commitment to continually improve levels of attainment and progress for all students but goes far beyond. We aim for our students to develop life-long personal and employability skills, and to live our values throughout the rest of their lives. We continue to place a high value on careers education through our award-winning programmes and invest in appropriate, high quality continued professional development for all staff.

Our strategic imperatives in support of our vision include:

- To embed our new Academy values Ambition and Pride; Kindness and Respect; Equality and Moral Purpose; Resilience and Teamwork; such that they epitomise our actions and interactions.
- Attainment and progress interventions for key groups are impactful in terms of narrowing identified gaps and at least match those of other non-selective schools in Buckinghamshire.
- To continue to grow our sixth form and that value added in the sixth form at least matches national expectations.
- The successful completion of a new build sports centre. To significantly improve our facilities for use both within the curriculum and our wider community, as well as parking and drop-off provision.
- To be at the forefront of:
 - ICT developments and use digital learning to enhance teaching, learning and leadership across all areas of the academy.
 - Using educational research to inform best practice for the benefit of all our students and staff, working in collaboration with the wider school network across Buckinghamshire and nationally.
- All staff, Trustees and families are aligned to the strategic goals of the academy.
- The academy being financially robust, with capacity for investment in the site.
- Strong and effective leadership embedded at all levels among staff and students.
- Our culture of community and collaboration permeates the academy through a highly effective school system.
- The academy provides an outstanding quality of education for all its students.
- The risk management framework will become an embedded practice.
- Enhance well-being and embed staff engagement by setting up a working group
- Review all contracts, leases agreements and licensing to ensure value for money.

The impact of COVID-19 upon achieving these strategic aims must not be understated. Having moved into the new academic year the effect of implementing our control measures, whilst responding to the changing demands on our time and resources, is significant. These include changing DfE guidance; expectations placed upon us in response to symptomatic and positive cases within the academy/family home; attendance challenges particularly for more vulnerable families; examination uncertainty; curriculum planning and adjustments directly linked to 'lost learning' during lockdown (summer 2020) and ongoing individual and group periods of self-isolation; remote learning expectations and the demands placed on teaching staff and rising costs linked to control measures. All of this alongside ensuring that the mental health and wellbeing of staff and students is rightly prioritised.

We are resolute in ensuring that our young people achieve well, this year and in the future. Our capacity for non-essential strategic improvements has been affected but we are equally aware that there have been some benefits to have come out of this period. Our staff are more highly skilled in their use of cloud-based software and the need to provide high quality remote learning, accelerated the rate at which we invested in our ICT facilities, provision and connectivity. Many students have developed lifelong skills of independence, resilience, problem solving and improved their competence and confidence in the use of ICT.

THE MISBOURNE
(A company limited by guarantee)

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

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITORS

During the year the Members appointed James Cowper Kreston as the Academy Trust auditors
In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the
company directors, on 11/12/20 and signed on its behalf by:



K Brannan (Goodwin)
Chair of Trustees

THE MISBOURNE
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Misbourne and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
J A Anderson	0	1
I Arif	0	1
W G Bradley	1	1
P Brown	3	7
A M Coneron	6	7
F E A Hughes	5	6
K Brannan (Goodwin), Chair of Trustees	5	7
D M Harris	7	7
C Lloyd-Staples	2	2
J M Marchant	3	4
J M Meloni	7	7
E V Moseley	5	5
P Withams	0	0

There were four member trustee resignations from the Board during the period and one newly appointed member trustee. One parent trustee's term of office came to an end and was replaced with a newly elected parent trustee. The Organisation Committee is a Committee of the Trustee Board. It has delegated responsibility for five key areas: Audit; Finance; Personnel; Premises; and Health & Safety. Responsibilities include:

- Providing assurance to the Trustee Board regarding the management and identification of risk.
- Ensuring sound management of the Academy's finances and resources, including proper planning, monitoring and probity in line with the ESFA guidelines in the Academies Financial Handbook and the Accounts Directive
- Approving the staffing complement and staffing structure in consultation with the Headteacher
- Ensuring HR policies and procedures are in place and that they comply with employment law and equal opportunities legislation.
- Monitoring the condition of the Academy's premises. Approving and monitoring the Asset Management and Building Development plans.

THE MISBOURNE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at organisation committee meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
P Brown	4	6
A M Coneron	6	6
K Goodwin	6	6
D Harris	6	6
J Marchant	3	3
J Meloni	6	6
E Moseley	3	4

The Pay Committee is a Committee of the Trustee Board. It has delegated responsibility to:

- Determine the size of the leadership group; set an indicative pay range for the Headteacher and other staff on the Leadership Pay Spine; and decide where leadership group members should be placed on the pay ranges.
- Ensure the pay and appraisal policy are applied fairly and consistently
- Approve pay recommendations

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Brown	1	1
A M Coneron	1	1
K Goodwin	1	1
J Marchant	0	1

The Chair and Vice Chair meet regularly with the Headteacher to discuss key issues and plan forthcoming meetings of the Trustee Board and its Committees. During the period, Trustees also supported the SLT in regularly reviewing the COVID-19 risk assessment in light of changing government guidance.

Governance reviews

Trustees reviewed the governance structure for the Academy, it was agreed no changes were necessary. The Board continues with two Committees: Organisation and Pay. At the end of each Board or Committee meeting, Trustees review the impact they have had on the academy and outcomes for students.

An external review of governance has been scheduled for the Autumn Term 2020.

Review of value for money

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

THE MISBOURNE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

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

- Implementing new financial software (SAGE) which provides a better alignment to academy accounting requirements. This has resulted in improved procedural efficiencies.
- Undertaking a review of the energy framework contract. This demonstrated that renewing the Academy's contract with the Local Authority Laser Energy Framework provided best value.
- Reviewed cash flow management and the operation of the interest bearing account, to maximise the interest earned.
- Undertaking a financial review of the curriculum.
- Securing successful CIF bids for electrical work and boiler replacement
- Moving to a lease arrangement for the school minibus
- Continuing to obtain three quotes for goods and services to ensure best value

The purpose of the system of internal control

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

Capacity to handle risk

The Trustee Board has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustee Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that this has been in place for the period ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustee Board.

The risk and control framework

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

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

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed James Cowper Kreston, the external auditor, to perform additional checks.

THE MISBOURNE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Trustee Board decided to buy in an internal assurance service from James Cowper Kreston. The Academy will be required to tender for these services again next year as a result of the newly revised FRC Ethical Standard. This prohibits a firm providing external audit to an entity, from also providing internal audit services to it.

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

- Payroll
- The implementation of the new financial system (SAGE) with a particular focus on month end procedures

There were no material issues identified.

Review of effectiveness

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the external auditor;
- the school resource management self-assessment tool;
- the RPA risk audit;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Organisation 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 and signed on their behalf by:


.....
K Brannan (Goodwin)
Chair of Trustees
Date: 11/12/2020


.....
J Meloni
Accounting Officer

THE MISBOURNE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Misbourne I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

.....

J Meloni
Accounting Officer

Date: 18.12.2020.

THE MISBOURNE
(A company limited by guarantee)

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

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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


.....
K Brannan (Goodwin)
Chair of Trustees
Date: 11/12/2020

THE MISBOURNE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE MISBOURNE

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

THE MISBOURNE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE MISBOURNE (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report 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 Group and the parent 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:

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

THE MISBOURNE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE MISBOURNE (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 Group's and the parent 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 Group or the parent academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Darren O'Connor BSc (Hons) FCCA ACA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

Date: 7/1/21

THE MISBOURNE
(A company limited by guarantee)

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

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

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

Respective responsibilities of The Misbourne's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Misbourne's funding agreement with the Secretary of State for Education dated 1 September 2018 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

THE MISBOURNE
(A company limited by guarantee)

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

Approach

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

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

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

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

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

Specific work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

J - - -

James Cowper Kreston
Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Date: 7/1/21

THE MISBOURNE
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Income from:						
Donations and capital grants	3	20,134	16,904	441,632	478,670	349,380
Charitable activities	4	-	5,498,179	-	5,498,179	5,030,267
Other trading activities	5	63,858	98,650	-	162,508	190,936
Other income	6	2,366	-	-	2,366	2,315
Total income		86,358	5,613,733	441,632	6,141,723	5,572,898
Expenditure on:						
Charitable activities	7,8	-	5,493,950	720,719	6,214,669	5,474,490
Total expenditure		-	5,493,950	720,719	6,214,669	5,474,490
Net income/(expenditure)		86,358	119,783	(279,087)	(72,946)	98,408
Transfers between funds	16	-	(66,667)	66,667	-	-
Net movement in funds before other recognised gains/(losses)		86,358	53,116	(212,420)	(72,946)	98,408
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	22,000	-	22,000	(227,000)
Net movement in funds		86,358	75,116	(212,420)	(50,946)	(128,592)
Reconciliation of funds:						
Total funds brought forward		127,211	(663,227)	19,385,216	18,849,200	18,977,792
Net movement in funds		86,358	75,116	(212,420)	(50,946)	(128,592)
Total funds carried forward		213,569	(588,111)	19,172,796	18,798,254	18,849,200

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

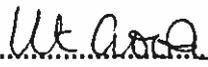
The notes on pages 29 to 51 form part of these financial statements.

THE MISBOURNE
(A company limited by guarantee)
REGISTERED NUMBER: 11024953

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	13	18,927,909	19,103,739
Current assets			
Debtors	14	142,536	138,995
Cash at bank and in hand		1,556,483	1,230,381
		<u>1,699,019</u>	<u>1,369,376</u>
Creditors: amounts falling due within one year	15	(395,674)	(361,915)
Net current assets		1,303,345	1,007,461
Total assets less current liabilities		<u>20,231,254</u>	<u>20,111,200</u>
Net assets excluding pension liability		20,231,254	20,111,200
Defined benefit pension scheme liability	22	(1,433,000)	(1,262,000)
Total net assets		<u><u>18,798,254</u></u>	<u><u>18,849,200</u></u>
 Funds of the academy			
Restricted funds:			
Fixed asset funds	16	19,172,796	19,385,216
Restricted income funds	16	844,889	598,773
		<u>20,017,685</u>	<u>19,983,989</u>
Restricted funds excluding pension liability	16	20,017,685	19,983,989
Pension reserve	16	(1,433,000)	(1,262,000)
Total restricted funds	16	18,584,685	18,721,989
Unrestricted income funds	16	213,569	127,211
Total funds		<u><u>18,798,254</u></u>	<u><u>18,849,200</u></u>

The financial statements on pages 25 to 51 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


 K Brannan (Goodwin)
 Chair of Trustees
 Date: 15/12/20

THE MISBOURNE
(A company limited by guarantee)
REGISTERED NUMBER: 11024953

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	13	18,927,909	19,103,739
Current assets			
Debtors	14	87,030	118,192
Cash at bank and in hand		1,435,262	1,106,012
		1,522,292	1,224,204
Creditors: amounts falling due within one year	15	(351,366)	(326,304)
Net current assets		1,170,926	897,900
Total assets less current liabilities		20,098,835	20,001,639
Net assets excluding pension liability		20,098,835	20,001,639
Defined benefit pension scheme liability	22	(1,433,000)	(1,262,000)
Total net assets		18,665,835	18,739,639
 Funds of the academy			
Restricted funds:			
Fixed asset funds	16	19,172,796	19,385,216
Restricted income funds	16	712,470	489,212
Restricted funds excluding pension liability	16	19,885,266	19,874,428
Pension reserve	16	(1,433,000)	(1,262,000)
Total restricted funds	16	18,452,266	18,612,428
Unrestricted income funds	16	213,569	127,211
Total funds		18,665,835	18,739,639

The financial statements on pages 25 to 51 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



K Brannan (Goodwin)
 Chair of Trustees
 Date: 11/12/2020

THE MISBOURNE
(A company limited by guarantee)

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

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(51,229)	208,547
Cash flows from investing activities			
	19	377,331	218,494
Change in cash and cash equivalents in the year			
		326,102	427,041
Cash and cash equivalents at the beginning of the year		1,230,381	803,340
Cash and cash equivalents at the end of the year	20, 21	1,556,483	1,230,381

The notes on pages 29 to 51 from part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Misbourne meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Going concern

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

1.3 Income

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

• **Grants**

Grants are included in the Consolidated 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 Consolidated 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.

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Group 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 Group's educational operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Basis of consolidation

The financial statements consolidate the accounts of The Misbourne and all of its subsidiary undertakings ('subsidiaries').

The academy has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the academy includes a deficit of £95,804 (2019: surplus of £105,817) before the actuarial gain/loss on the defined benefit scheme.

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.

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £2,500 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 Consolidated 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 Consolidated statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Leasehold land	- Over 125 years
Leasehold property	- 2% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 25% straight line

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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

1. Accounting policies (continued)

1.11 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 14. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.12 Operating leases

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

1.13 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated 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.

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

1. Accounting policies (continued)

1.14 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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

Critical areas of judgment:

Depreciation

Tangible fixed assets are depreciated over their useful lives taking into accounting residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the assets and projected disposal value.

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	20,134	16,904	-	37,038	16,415
Grants	-	-	441,632	441,632	332,965
	<u>20,134</u>	<u>16,904</u>	<u>441,632</u>	<u>478,670</u>	<u>349,380</u>
Total 2019	<u>2,729</u>	<u>13,686</u>	<u>332,965</u>	<u>349,380</u>	

4. Funding for Academy's educational operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	4,908,910	4,908,910	4,696,163
Other DfE/ ESFA grants	421,965	421,965	198,549
	<u>5,330,875</u>	<u>5,330,875</u>	<u>4,894,712</u>
Other Government grants			
Local authority grants	167,304	167,304	135,555
	<u>5,498,179</u>	<u>5,498,179</u>	<u>5,030,267</u>
Total 2019	<u>5,030,267</u>	<u>5,030,267</u>	

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

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Examination fees	7,165	-	7,165	5,240
Casual letting	10,672	-	10,672	20,610
Catering fees	2,034	-	2,034	3,760
Sale of materials	13,609	-	13,609	15,950
Other income	30,378	98,650	129,028	145,376
	<u>63,858</u>	<u>98,650</u>	<u>162,508</u>	<u>190,936</u>
Total 2019	<u>65,855</u>	<u>125,081</u>	<u>190,936</u>	

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	2,366	2,366	2,315
	<u>2,366</u>	<u>2,366</u>	<u>2,315</u>
Total 2019	<u>2,315</u>	<u>2,315</u>	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Direct costs	3,972,352	-	386,741	4,359,093	4,079,362
Allocated support costs	474,424	672,408	708,744	1,855,576	1,395,128
	<u>4,446,776</u>	<u>672,408</u>	<u>1,095,485</u>	<u>6,214,669</u>	<u>5,474,490</u>
Total 2019	<u>4,148,291</u>	<u>272,114</u>	<u>1,054,085</u>	<u>5,474,490</u>	

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	4,359,093	1,855,576	6,214,669	5,474,490
Total 2019	4,079,362	1,395,128	5,474,490	

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	474,424	474,424	483,347
Depreciation	242,497	242,497	216,433
Other support costs	77,899	77,899	102,749
Energy	67,946	67,946	70,329
Rates	44,257	44,257	38,679
School trips	72,518	72,518	62,213
Catering supplies	5,154	5,154	7,570
Transport	12,232	12,232	9,690
Legal and professional	76,868	76,868	63,873
Maintenance of premises	672,408	672,408	238,567
Cleaning	95,900	95,900	85,643
Governance costs	13,473	13,473	16,035
	1,855,576	1,855,576	1,395,128
Total 2019	1,395,128	1,395,128	

Included within the 2020 maintenance of premises costs is £478,222 (2019: £71,082) of expenditure in relation to roof repairs which was funded via a CIF grant.

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

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020	2019
	£	£
Depreciation of tangible fixed assets	242,497	216,433
Operating lease rentals	8,767	10,775
Fees paid to auditor for:		
- audit	8,500	8,250
- other services	4,030	2,300
	8,500	8,250

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group	Group	Academy	Academy
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	3,192,837	3,019,606	3,192,837	3,019,606
Social security costs	315,894	295,076	315,894	295,076
Pension costs	863,862	663,045	863,862	663,045
	4,372,593	3,977,727	4,372,593	3,977,727
Agency staff costs	63,130	170,564	63,130	170,564
Staff restructuring costs	11,053	-	11,053	-
	4,446,776	4,148,291	4,446,776	4,148,291

Staff restructuring costs comprise:

	Group	Group	Academy	Academy
	2020	2019	2020	2019
	£	£	£	£
Severance payments	11,053	-	11,053	-
	11,053	-	11,053	-

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6,704 (2019: £nil). This relates to one payment.

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

10. Staff (continued)

c. Staff numbers

The average number of persons employed by the Group and the academy during the year was as follows:

	Group 2020 No.	Group 2019 No.
Teachers	52	57
Administration and support	39	38
Management	5	7
	96	102

d. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

e. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £595,259 (2019: £549,820).

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:

		2020 £	2019 £
J Elliot	Remuneration	nil	5,000 - 10,000
	Pension contributions paid	nil	0 - 5,000
J M Meloni	Remuneration	80,000 - 85,000	80,000 - 85,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

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

11. Trustees' remuneration and expenses (continued)

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £54 paid to 1 Trustee).

12. Trustees' and Officers' insurance

The Group 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.

13. Tangible fixed assets

Group and Academy

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	19,107,166	127,616	214,845	19,449,627
Additions	-	21,996	44,671	66,667
At 31 August 2020	<u>19,107,166</u>	<u>149,612</u>	<u>259,516</u>	<u>19,516,294</u>
Depreciation				
At 1 September 2019	258,015	39,213	48,660	345,888
Charge for the year	154,809	26,531	61,157	242,497
At 31 August 2020	<u>412,824</u>	<u>65,744</u>	<u>109,817</u>	<u>588,385</u>
Net book value				
At 31 August 2020	<u><u>18,694,342</u></u>	<u><u>83,868</u></u>	<u><u>149,699</u></u>	<u><u>18,927,909</u></u>
At 31 August 2019	<u><u>18,849,151</u></u>	<u><u>88,403</u></u>	<u><u>166,185</u></u>	<u><u>19,103,739</u></u>

Included within leasehold land and building is leasehold land amounting to £9,019,637 (2019: £9,019,637).

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

14. Debtors

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade debtors	-	1,636	-	1,636
Other debtors	38,722	52,285	32,999	46,562
Prepayments and accrued income	103,814	85,074	54,031	69,994
	142,536	138,995	87,030	118,192

15. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade creditors	148,038	126,670	148,038	126,670
Other taxation and social security	81,649	76,041	81,649	76,041
Other creditors	80,407	61,982	80,407	61,982
Accruals and deferred income	85,580	97,222	41,272	61,611
	395,674	361,915	351,366	326,304

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Deferred income at 1 September 2019	41,101	43,339	41,101	43,339
Resources deferred during the year	36,398	41,101	36,398	41,101
Amounts released from previous periods	(41,101)	(43,339)	(41,101)	(43,339)
	36,398	41,101	36,398	41,101

Deferred income represents the accrued liability under the contracts by the ESFA for rates relief and the 16-19 bursary fund income.

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

	As Restated Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General fund	127,211	86,358	-	-	-	213,569
Restricted general funds						
General Annual Grant (GAG)	489,212	4,908,910	(4,618,985)	(66,667)	-	712,470
Other ESFA/DFE grants	-	421,965	(421,965)	-	-	-
Other local authority	-	167,304	(167,304)	-	-	-
School fund	109,561	95,509	(72,651)	-	-	132,419
Other income	-	71,622	(71,622)	-	-	-
Pension reserve	(1,262,000)	-	(193,000)	-	22,000	(1,433,000)
Other restricted general funds	-	(51,577)	51,577	-	-	-
	<u>(663,227)</u>	<u>5,613,733</u>	<u>(5,493,950)</u>	<u>(66,667)</u>	<u>22,000</u>	<u>(588,111)</u>
Restricted fixed asset funds						
Assets on conversion	19,102,739	-	(242,497)	66,667	-	18,926,909
DfE/ESFA capital grant	282,477	441,632	(478,222)	-	-	245,887
	<u>19,385,216</u>	<u>441,632</u>	<u>(720,719)</u>	<u>66,667</u>	<u>-</u>	<u>19,172,796</u>
Total Restricted funds	<u>18,721,989</u>	<u>6,055,365</u>	<u>(6,214,669)</u>	<u>-</u>	<u>22,000</u>	<u>18,584,685</u>
Total funds	<u><u>18,849,200</u></u>	<u><u>6,141,723</u></u>	<u><u>(6,214,669)</u></u>	<u><u>-</u></u>	<u><u>22,000</u></u>	<u><u>18,798,254</u></u>

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

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

Restricted General Funds

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Pupil Premium funding is utilised to target progress and arrange/run personalised interventions as well as support student's needs with general financial support for trips, music lessons, uniform and equipment for learning.

The objective of the School Fund is to advance the education of the students attending The Misbourne.

Local authority funds are used to provide targeted support for children with a Education and Health Care Plan. The school has a specially resourced provision for students statemented with Communication and Interaction Difficulties on the Autistic Spectrum, which is funded by the local authority and admits students on specific admission criteria.

Restricted Fixed Asset Funds

These funds are resources which are to be applied to specific capital purposes imposed by the ESFA. Department for Education or other funders where the asset is acquired or created is held for a specific purpose.

Unrestricted Funds

Represents income generated by the school (such as lettings and hire of facilities) any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Governing Body.

Designated Funds

Represents the Academy's share of amounts set aside to resurface the tennis courts.

Transfers

These relate to monies spent from GAG (or similar) to purchase capitalised assets during the period.

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

16. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	As restated Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Designated funds						
Tennis court	15,000	-	(42,611)	27,611	-	-
General funds						
General fund	56,312	70,899	-	-	-	127,211
Total Unrestricted funds	71,312	70,899	(42,611)	27,611	-	127,211
Restricted general funds						
General Annual Grant (GAG)	418,903	4,696,163	(4,471,084)	(154,770)	-	489,212
Other ESFA/DFE grants	-	198,549	(198,549)	-	-	-
Other local authority	-	135,555	(135,555)	-	-	-
School fund	116,970	127,394	(134,803)	-	-	109,561
Other income	-	11,373	(11,373)	-	-	-
Pension reserve	(842,000)	-	(193,000)	-	(227,000)	(1,262,000)
	(306,127)	5,169,034	(5,144,364)	(154,770)	(227,000)	(663,227)

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16. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	As restated Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Assets on conversion	19,192,013	-	(216,433)	127,159	-	19,102,739
DfE/ESFA capital grant	20,594	332,965	(71,082)	-	-	282,477
	<u>19,212,607</u>	<u>332,965</u>	<u>(287,515)</u>	<u>127,159</u>	<u>-</u>	<u>19,385,216</u>
Total Restricted funds	<u>18,906,480</u>	<u>5,501,999</u>	<u>(5,431,879)</u>	<u>(27,611)</u>	<u>(227,000)</u>	<u>18,721,989</u>
Total funds	<u><u>18,977,792</u></u>	<u><u>5,572,898</u></u>	<u><u>(5,474,490)</u></u>	<u><u>-</u></u>	<u><u>(227,000)</u></u>	<u><u>18,849,200</u></u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	18,927,909	18,927,909
Current assets	213,569	1,240,563	244,887	1,699,019
Creditors due within one year	-	(395,674)	-	(395,674)
Provisions for liabilities and charges	-	(1,433,000)	-	(1,433,000)
Total	<u><u>213,569</u></u>	<u><u>(588,111)</u></u>	<u><u>19,172,796</u></u>	<u><u>18,798,254</u></u>

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	As restated Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	19,103,739	19,103,739
Current assets	127,211	960,688	281,477	1,369,376
Creditors due within one year	-	(361,915)	-	(361,915)
Provisions for liabilities and charges	-	(1,262,000)	-	(1,262,000)
Total	<u>127,211</u>	<u>(663,227)</u>	<u>19,385,216</u>	<u>18,849,200</u>

18. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of financial activities)	<u>(72,946)</u>	<u>98,408</u>
Adjustments for:		
Depreciation	242,497	216,433
Capital grants from DfE and other capital income	(441,632)	(332,965)
Interest receivable	(2,366)	(13,688)
Defined benefit pension scheme cost less contributions payable	170,000	172,000
Defined benefit pension scheme finance cost	23,000	21,000
Increase in debtors	(3,541)	(25,638)
Increase in creditors	33,759	72,997
Net cash (used in)/provided by operating activities	<u>(51,229)</u>	<u>208,547</u>

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19. Cash flows from investing activities

	Group 2020 £	Group 2019 £
Dividends, interest and rents from investments	2,366	13,688
Purchase of tangible fixed assets	(66,667)	(128,695)
Loss from the sale of tangible fixed assets	-	536
Capital grants from DfE Group	441,632	332,965
Net cash provided by investing activities	377,331	218,494

20. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	1,556,483	1,230,381
Total cash and cash equivalents	1,556,483	1,230,381

21. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,230,381	326,102	1,556,483
	1,230,381	326,102	1,556,483

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22. 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 Barnett Waddingham. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £80,407 were payable to the schemes at 31 August 2020 (2019 - £61,982) 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 £512,548 (2019 - £344,239).

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 Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

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22. 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 2020 was £200,000 (2019 - £186,000), of which employer's contributions totalled £157,000 (2019 - £146,000) and employees' contributions totalled £ 43,000 (2019 - £40,000). The agreed contribution rates for future years are 22.8 to 23.0 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.25	3.65
Rate of increase for pensions in payment/inflation	2.25	2.15
Discount rate for scheme liabilities	1.60	1.90
Inflation assumption (CPI)	2.25	2.15

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

	2020	2019
	Years	Years
Retiring today		
Males	21.8	22.9
Females	25.1	24.8
Retiring in 20 years		
Males	23.2	24.6
Females	26.6	26.7

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	(71)	(64)
Discount rate -0.1%	73	66
Mortality assumption - 1 year increase	105	80
Mortality assumption - 1 year decrease	(101)	(77)
CPI rate +0.1%	64	57
CPI rate -0.1%	(63)	(56)

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22. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	707,000	544,000
Gilts	136,000	117,000
Other bonds	202,000	144,000
Property	81,000	69,000
Cash and other liquid assets	34,000	33,000
Derivatives	130,000	105,000
Total market value of assets	1,290,000	1,012,000

The actual return on scheme assets was £35,000 (2019 - £74,000).

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

	2020 £	2019 £
Current service cost	(326,000)	(273,000)
Past service cost	-	(45,000)
Interest income	21,000	23,000
Interest cost	(44,000)	(44,000)
Administrative expenses	(1,000)	-
Total amount recognised in the Consolidated Statement of Financial Activities	(350,000)	(339,000)

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

	2020 £	2019 £
At 1 September	2,274,000	1,606,000
Current service cost	326,000	273,000
Interest cost	44,000	44,000
Employee contributions	43,000	40,000
Change in financial assumptions	37,000	277,000
Benefits paid	(1,000)	(11,000)
Past service costs	-	45,000
At 31 August	2,723,000	2,274,000

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22. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	1,012,000	764,000
Interest income	21,000	23,000
Actuarial gains	59,000	50,000
Employer contributions	157,000	146,000
Employee contributions	43,000	40,000
Benefits paid	(1,000)	(11,000)
Administration expenses	(1,000)	-
At 31 August	1,290,000	1,012,000

23. Operating lease commitments

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

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Not later than 1 year	10,895	10,895	10,895	10,895
Later than 1 year and not later than 5 years	11,910	11,910	11,910	11,910
	22,805	22,805	22,805	22,805

24. Members' liability

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

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25. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

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

26. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received £8,672 (2019: £9,146) and disbursed £3,695 (2019: £11,270) from the fund. Funds of £16,650 (2019: £11,673) relating to undistributed funds that is repayable to ESFA have been carried forward.

27. Principal Subsidiaries

Subsidiary name	The Misbourne School Fund
Charity registration number	1068203
Equity shareholding %	100%
Total assets as at 31 August 2020	£176,727
Total liabilities as at 31 August 2020	£(44,308)
Total funds as at 31 August 2020	£132,419
Gross income for the year ended 31 August 2020	£95,509
Expenditure for the year ended 31 August 2020	£(72,651)
Surplus for the year ended 31 August 2020	£22,858

28. Prior year adjustment

The prior year figures have been restated to correctly reflect the actuarial losses on the defined benefit pension scheme. This has resulted in a decrease in the deficit by £100,000 and an increase in the net assets of £100,000 for the year ended 31 August 2019.