

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 11
Governance Statement	12 - 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditors' Report on the Financial Statements	18 - 20
Independent Reporting Accountant's Report on Regularity	21 - 22
Statement of Financial Activities Incorporating Income and Expenditure Account	23
Balance Sheet	24 - 25
Statement of Cash Flows	26
Notes to the Financial Statements	27 - 50

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members

K Hall
J F Dean (resigned 28 November 2019)
Y Oakes
K Roberts

Trustees

W G Paton, Chairperson
V H Pace, Vice Chairperson
A Dixon, Headteacher and Accounting Officer
P Irving
J Jefferies
V Johnston
J Newbery
D Owen (resigned 6 July 2020)
N Westmoreland (appointed 17 October 2019)

Company registered number

08027879

Company name

Firthmoor Primary School

Principal and registered office

Ingleby Moor Crescent
Darlington
County Durham
DL1 4RW

Company secretary

J Brooks

Senior Leadership Team

A Dixon, Headteacher
V Morrow, Deputy Headteacher
D Murray, Assistant Headteacher

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

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

Bankers

Lloyds Bank
21-23 Northgate
Darlington
Durham
DL1 1TL

Solicitors

Bond Dickinson LLP
St Ann's Wharf
112 Quayside
Newcastle Upon Tyne
NE1 3DX

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

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

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Darlington. It has a pupil capacity of 365 and had a roll of 313 in the school census on 8 January 2020. The governing body of Firthmoor Primary is the Admissions Authority for this school. The Admissions Policy Criteria will be applied on an Equal Preference basis and works in association with the Co-ordinated Scheme for Darlington Authority. Application for places are made on the Primary School Application (PSA) available from and administered by Darlington Borough Council

Structure, Governance and Management

Constitution

The academy 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. The Trustees of Firthmoor Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Firthmoor Primary School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

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 academy has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy business. Further details are provided in note 12.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed under the rules contained within the Academy's Memorandum and Articles of Association and membership of the Governing Body is in accordance with the structure contained within it. Up to 12 Trustees may be appointed.

The Headteacher shall be treated for all purposes as being an ex officio Trustee.

The Parent Trustees shall be elected by parents of registered pupils at the academy. A Parent Trustee must be a parent of a pupil at the academy at the time when they are elected. If the number of parents standing for election is less than the number of vacancies, then the Governing Body can appoint them.

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Headteacher or any post help ex officio. Subject to remaining eligible to be a particular type of trustee, any Trustee may be re-appointed or re-elected. The Trustees may appoint up to 3 co-opted Trustees. The Trustees may not co-opt an employee of the academy as a co-opted Trustee if thereby the number of Trustees who are employees of the academy would exceed one third of the total number of Trustees.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Structure, Governance and Management (continued)

The Secretary of State may appoint additional Trustees as he sees fit if he has given the Trustees a warning notice, and the Trustees have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters and is accessed via the governance support service level agreement. All new Trustees are given a tour of the academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

During the year the academy continued to operate a unified management structure. The Structure consists of 3 levels: the Trustees, the Senior Leadership team and the Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The management structure consists of:

The Trustees

The Senior Leadership Team (1 Headteacher, 1 Deputy Headteacher, 1 Assistant Headteacher)

The Leadership Team (1 SENCO and 1 Inclusion Officer)

The Academy Business Manager.

Arrangements for setting pay and remuneration of key management personnel

The Trustees are responsible for setting the Academy Pay Policy which is set in accordance with the provisions of the School Teachers Pay and Conditions Document and NJC pay scales for support staff. The Trustees recognize the requirement for a fair and transparent policy to determine the pay and grading for all staff employed in the school and vacant posts are advertised as appropriate. Robust annual performance management and appraisal procedures are in place for key management personal. The Headteacher pay is determined by the headteacher performance management and pay review committee which is advised by an external advisor. The Headteacher conducts the performance management of the Senior Leadership Team and makes recommendations to the performance management, pay review committee for approval.

Related Parties and other Connected Charities and Organisations

Firthmoor Primary School is a standalone academy and not part of a Multi Academy Trust. There are no connected organisations which have been identified.

There are no connected organisations. Related party transactions are disclosed under note 26.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Objectives and activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Firthmoor Primary School, to provide education for students of different abilities between the ages of 3 and 11 with access to a rich curriculum with an emphasis on high achievement in Reading, Writing and Maths. In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with emphasis on providing the very best care and education for our pupils.

The main objectives of the academy during the year ended 31 August 2020 are summarised below:

- 1) To ensure that leaders of learning are supported and equipped to improve pupil outcomes.
- 2) To ensure continuity and progression in curriculum content and delivery whilst ensuring that subject leaders/governors have a clear overview of attainment and progress.
- 3) To narrow the attainment gap between boys and girls in Reading and Writing.

Objectives, Strategies and Activities

The academy's main objectives are encompassed in its mission statement which is:

At Firthmoor Primary School, we are dedicated to providing the very best care and education for all our children. We want our school to be a happy, inclusive and successful community. Within a safe, positive and supportive environment, our children are encouraged to take responsibility for their own health and well-being. We promote a love of learning, which encourages our children to aim high and become valuable members of society and pride ourselves on being a school at the heart of the Firthmoor Community, involving pupils, parents and the wider community in our achievements.

To this end the objectives and the strategies used to achieve them include:

- To promote the development of all children, ensuring learning opportunities and programmes are in place for children to make good progress;
- To encourage children to grow and develop their potential by allocating resources, enabling them to fully participate in the life of the school;
- To raise the standard of educational achievement of all students;
- To improve the effectiveness of the academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements; and
- To conduct the academy's business in accordance with the highest standards of integrity, probity and openness.

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

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

Objectives and activities (continued)

We achieve these aims by:

- Providing learning opportunities for all pupils to attain appropriate academic qualifications;
- Offering a broad and balanced curriculum that promotes equal opportunities for all the children within our school;
- Providing a personalised curriculum for those pupils who need additional support to overcome barriers to learning;
- Engaging fully with parents to ensure their involvement with pupils' learning
- Engagement with partner agencies in developing appropriate provision and supportive strategies;
- Encouraging pupils to develop their own independence and individuality by exploring their strengths and limitations;
- Providing training opportunities for all staff;
- Creating and maintaining strong links with community groups and external stakeholders; and
- Providing a programme of cultural and spiritual activities to ensure that students have the widest possible life experience at school and learn respect for other races, religions and social groups

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 3 and 11.

Public benefit

The academy's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy should undertake.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Strategic report

Achievements and performance

Due to the coronavirus pandemic the cancellation of school exams and assessments in May and June 2020 was announced by the Prime Minister on 18 March 2020. The cancellation applies to: end of key stage 1 and key stage 2 assessments (including tests and teacher assessment); Y1/2 phonics screening check; Y4 multiplication tables check; Y6 science sampling tests; and the Early Years Foundation Stage Profile.

Primary school performance measures will not be published for the 2019/20 academic year.

Our performance for the previous 18/19 academic year is:

EYFS – pupils achieving a Good Level of Development (GLD)

	Firthmoor	National
	64%	72%

Y1 – pupils achieving a pass in the Phonic Screening Test

	Firthmoor	National
	84%	82%

KS1 - pupils achieving expected level

	Firthmoor	National
Reading	74%	75%
Writing	67%	69%
Maths	76%	76%

KS2 – pupils achieving expected level

	Firthmoor	National
Reading	85%	73%
Writing	80%	78%
Maths	97%	79%
GPS	87%	78%
RWM	77%	65%

- Internal monitoring and consultant reports show that standards in learning and teaching are high with many outstanding features
- At KS1 pupils attain broadly in line with national figures for children working at the 'expected' level in Reading, Writing and Maths with an increase of 7% in pupils 'exceeding' the national standard in Maths
- Attainment at 'expected' and 'exceeding' continues to be above national in Maths at KS2
- KS2 progress in Reading (4.9), Writing (2.2) and Maths (3.2) was significantly above national and in the highest 20% of all schools in 2019
- KS2 attainment at the expected standard in Maths (97%) was significantly above national and in the highest 20% of all schools in 2019

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

Key performance indicators

- External School Improvement Partner + subject consultant reports
- Pupil progress
- Early Years attainment
- Phonic screening results
- KS1 + KS2 results
- Ofsted Judgement as Good, November 2016
- Total income per pupil - £5,637
- Total GAG income per pupil - £4,201
- Staff cost per pupil - £4,150
- Total costs per pupil - £5,584
- Staff costs as % of total costs – 74.3 %
- Staff costs as % of total income – 73.6%
- Pupil to teacher ratio – 20:1

Assessment of performance against KPIs

- Reports on monitoring of standards in Early Years, Literacy and Maths evidence that standards in learning and teaching remain high
- Pupil progress continues to be above national average
- The school continues to make progress to narrow the gap between GLD% in Early Years compared with national standards – an increase of 5%
- Phonic screening results were above the national average
- ‘Expected’ standards at KS1 have increased in Reading, Writing and Maths

Per pupil income is as expected as pupil numbers currently remain stable. Staff costs are in line with current targets and requirements for the school.

Going Concern

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

Financial review

Most of the academies income is obtained from the Department of education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities Statement of Recommended practice, ‘Accounting and Reporting by Charities’ (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Strategic report (continued)

During the year ended 31 August 2020, total expenditure of £1,839,000 was in excess of recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £27,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2020 the net book value of fixed assets was £2,216,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of the LGPS pensions scheme, resulting in a deficit of £1,224,000 recognised on the Balance Sheet.

The academy held fund balances at 31 August 2020 of £1,600,000 comprising £1,389,000 of restricted funds (including £2,216,000 of restricted fixed asset funds and a pension deficit of £1,224,000) and £211,000 of unrestricted funds. The in year surplus from restricted general funds and unrestricted funds was £102,000.

Reserves policy

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- to provide funds which can be designated to specific areas such as improving facilities;
- to cover costs of any unplanned repairs and maintenance that may be required;
- to provide cost for staff sickness and absences cover.
- to cover ongoing costs in relation to the running of the academy including catering provisions, school trips and uniform costs.

The level of reserves is reviewed by the Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of an academy is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of £159,000.

This is considered sufficient to cover

- replacement leadership, teaching and support time to cover staff absence;
- curriculum resources if departments require additional support;
- capital expenditure when projects are identified.

The academy's current level of free reserves are in surplus by £211,000 and therefore are considered to be above the level of reserves required for the ongoing needs of the academy. The Trustees continue to consider additional activities related to the academy's objectives to which the excess reserves may be applied including:

- curriculum resources and support to help raise standards should the academy require additional support;
- additional resources to develop learning and teaching;
- capital expenditure on new projects.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Investment Policy

Firthmoor Primary School aims to manage its cash balances to provide for the day-to-day requirement of its operations while protecting the real long-term value of any surplus cash balances against inflation. In addition, the school aims to invest surplus cash funds to optimise returns, but ensure that the investments are such that there is no risk to the loss of these cash funds.

The academy invests surplus funds through money market accounts. Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

Principal risks and uncertainties

The principal risks and uncertainties are centred on changes in the level of funding from the DfE/ESFA. In addition, the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy balance sheet.

The Trustees have assessed the major risks, to which the academy is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy, and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The academy is subject to a number of risks and uncertainties in common with other academies. The academy has in place procedures to identify and mitigate financial risks.

Additional costs to the academy to ensure a COVID safe environment during the pandemic included additional cleaning materials, additional signage and support to ensure social distancing and implementing one-way systems. However, these costs have been offset by the reduction of energy costs, reduced pupil meal expenditure and a reduction in additional support and staffing costs, including supply, causing little adverse effects on the operation or activities of the academy.

Disabled Persons

Ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all main areas of the academy. The policy of the academy is to support recruitment and retention of students and employees with disabilities. The academy does this by adapting the physical environment by making support resources available and through training and career development.

Fundraising

The academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

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

Plans for Future Periods

The academy will be looking at directing reserves towards:

- Ensuring that leaders of learning are supported and equipped to improve pupil outcomes.
- Supporting the implementation of home learning and remote support
- Improving the one-way systems around school and security of movement in the school grounds for staff, pupils and parents
- Narrowing the attainment gap between boys and girls in reading and writing

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held as Custodian Trustee on behalf of others

Auditor

Insofar as the Trustees are aware:

- there is no relevant 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 that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 November 2020 and signed on its behalf by:

.....
W G Paton
Chair

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Firthmoor Primary School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. 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 to 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 Firthmoor Primary School and the Secretary of State for education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Trustees allow flexibility for a 6th meeting date for specific or targeted agenda items or bespoke training sessions. During the current year all business was dealt with accordingly and no exceptional events necessitated a 6th meeting.

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

Trustee	Meetings attended	Out of a possible
W G Paton, Chair	5	5
V H Pace, Vice Chair	5	5
A Dixon, Headteacher and Accounting Officer	5	5
P Irving	2	5
J Jefferies	5	5
V Johnston	5	5
J Newbery	3	5
D Owen (resigned 6 July 2020)	4	5
N Westmoreland (appointed 17 October 2019)	2	5

Given the size of the academy the Board of Trustees felt it unnecessary to have a sub-committee, therefore the academy maintains full financial powers to maintain robust internal controls and financial scrutiny and oversight.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer the Headteacher has responsibility for ensuring that the academy delivers good value in 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 taxpayers resources received.

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

Improving Educational Results

Our resources are directed where they will be the most effective in meeting educational requirements, for example:

- Robust tracking systems to record and monitor all aspects of pupil data including progress
- Continue to monitor staffing levels and deploy staff efficiently to support the curriculum and areas of development
- Provide a programme of lesson observations and work scrutinies combined with intensive staff development to ensure pupil progress.
- Funding is allocated to optimal effect, for example, providing targeted support and interventions for pupils such as small group tuition, individual pupil support, after school clubs and additional curricular activities.
- Working collaboratively with other schools, sharing good practice to improve CPD and improve standards
- Implement strategies to improve attendance and end of key stage results
- Provide increased pastoral and speech and language support for identified pupils

Financial Governance and Oversight

Financial governance arrangements include regular monitoring by the Governing Body. This includes;

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports reviewed and agreed by the governing body.
- Regular monitoring review of reports and data sources within governing body meetings, monitoring the impact of activities and funding streams, such as pupil premium.
- Regular review of reports within governor meetings which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Robust finance procedures and regular policy reviews ensure the school is operating within the regulations of the Academies Handbook
- Comprehensive audit checks, monitoring and reporting on the Academy's financial procedures and performance
- Reviewing appropriate financial benchmarking data, in order to compare the schools financial performance with other similar schools.
- Trustees receive management account reports on a monthly basis

Better Purchasing

- Spending proposals are priced and presented to governors, challenged appropriately and recorded in minutes.
- Contracts and service level agreements are reviewed regularly to ensure the service remains suitable for the needs of the academy and Tenders / Quotations are obtained where appropriate to ensure value for money.
- Continue to work with forum groups and other education providers to improve sharing of good practice and joint procurement of services.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Reviewing controls and managing risk

- Cash flow forecasts are included within regular reports to identify and invest surplus cash balances and maximise bank interest
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties are defined within policies and governor meetings
- Review of risk register is a standing agenda item for all meetings

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed Clive Owen LLP, the external auditors, to perform additional checks.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliations
- Testing of income
- Testing of the accounting systems and management information provided
- Review of Trustee appointments/resignations and declarations of interest
- Review of gifts and hospitality & honorarium/ex-gracia payments
- Review of information technology strategy
- Review of fixed assets
- Review of VAT position

On a termly basis the auditor reports to the Board of Trustees, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The external auditors have delivered their schedule of work as planned and no material control issues have arisen as a result of their work.

Following the FRC updated Ethical Standards from 1 September 2020 Clive Owen LLP will no longer perform the above additional checks, instead Tait Walker will now take on this role.

Review of effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to address weaknesses and ensures continuous improvement of the system in place.

Approved by order of the members of the Board of Trustees on 19 November 2020 and signed on their behalf by:

.....
W G Paton
Chair

.....
A Dixon
Accounting Officer

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

STATEMENT ON REGULARITY, PROPERTY AND COMPLIANCE

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

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

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

A Dixon
Accounting Officer
Date: 19 November 2020

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

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

.....
W G Paton
Chair

Date: 19 November 2020

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Firthmoor Primary School (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

**FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)**

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

19 November 2020

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 19 September 2019 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 Firthmoor Primary School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Firthmoor Primary School's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Firthmoor Primary School's funding agreement with the Secretary of State for Education dated 1 May 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
FIRTHMOOR PRIMARY SCHOOL 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.

The work undertaken to draw to our conclusion includes:

- Review of Board of Trustees and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

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.

Clive Owen LLP
Reporting Accountant
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date: 19 November 2020

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants	3	2	-	7	9	22
Charitable activities	4	17	1,752	-	1,769	1,695
Other trading activities	5	4	-	-	4	8
Investments	6	1	-	-	1	-
Total income		24	1,752	7	1,783	1,725
Expenditure on:						
Charitable activities	7	22	1,727	90	1,839	1,868
Total expenditure		22	1,727	90	1,839	1,868
Net income/(expenditure)		2	25	(83)	(56)	(143)
Transfers between funds	17	-	(8)	8	-	-
Net movement in funds before other recognised gains/(losses)		2	17	(75)	(56)	(143)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(183)	-	(183)	(263)
Net movement in funds		2	(166)	(75)	(239)	(406)
Reconciliation of funds:						
Total funds brought forward		209	(661)	2,291	1,839	2,245
Net movement in funds		2	(166)	(75)	(239)	(406)
Total funds carried forward		211	(827)	2,216	1,600	1,839

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08027879

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	13	2,216	2,291
		<hr/>	<hr/>
		2,216	2,291
Current assets			
Stocks	14	1	2
Debtors	15	184	128
Cash at bank and in hand		530	483
		<hr/>	<hr/>
		715	613
Creditors: amounts falling due within one year	16	(107)	(107)
		<hr/>	<hr/>
Net current assets		608	506
		<hr/>	<hr/>
Total assets less current liabilities		2,824	2,797
		<hr/>	<hr/>
Net assets excluding pension liability		2,824	2,797
Defined benefit pension scheme liability	24	(1,224)	(958)
		<hr/>	<hr/>
Total net assets		1,600	1,839
		<hr/>	<hr/>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08027879

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Funds of the academy			
Restricted funds:			
Fixed asset funds	17	2,216	2,291
Restricted income funds	17	397	297
Restricted funds excluding pension asset	17	2,613	2,588
Pension reserve	17	(1,224)	(958)
Total restricted funds	17	1,389	1,630
Unrestricted income funds	17	211	209
Total funds		1,600	1,839

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 50 were approved by the Trustees, and authorised for issue on 19 November 2020 and are signed on their behalf, by:

W G Paton
Chair

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	55	(34)
Cash flows from investing activities	21	(8)	(61)
Change in cash and cash equivalents in the year		47	(95)
Cash and cash equivalents at the beginning of the year		483	578
Cash and cash equivalents at the end of the year	22, 23	<hr/> <hr/> 530 <hr/> <hr/>	<hr/> <hr/> 483 <hr/> <hr/>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies

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.

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

1.2 Fund Accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Income

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

• Grants

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

• Donations

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

• Other income

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 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 trust 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.

1.6 Tangible fixed assets

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

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

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold property	- 50 years
Furniture and fixtures	- 7 years
Computer equipment	- 3 years

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

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Stocks

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

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and Provision

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

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

1.13 Taxation

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

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

1.14 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure Account on a straight line basis over the lease term.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £90,000.

Critical areas of judgment:

Land – Land is held under a 125 year lease from Darlington Borough Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations	2	-	2	2
Capital Grants	-	7	7	20
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
Total 2019	2	20	22	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

4. Funding for the academy's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,323	1,323	1,299
Pupil Premium	-	219	219	220
PE and Sport Premium	-	19	19	18
UIFSM	-	38	38	36
Rates	-	8	8	8
Teachers Pay and pension grants	-	58	58	10
	<hr/>	<hr/>	<hr/>	<hr/>
	-	1,665	1,665	1,591
Other Government Grants				
SEN	-	20	20	21
Early Years Funding	-	61	61	55
Other Government Grants	-	6	6	7
	<hr/>	<hr/>	<hr/>	<hr/>
	-	87	87	83
Other Funding				
Student Trips	1	-	1	3
Student Catering	16	-	16	18
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2020	17	1,752	1,769	1,695
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2019	21	1,674	1,695	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

5. Other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Other	4	4	8
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2019	8	8	
	<hr/> <hr/>	<hr/> <hr/>	

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

6. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Investment income	1	1	-
Total 2019	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

7. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Academy's educational operations:					
Direct costs	1,271	-	54	1,325	1,351
Allocated support costs	123	182	209	514	517
Total 2020	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
Total 2019	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

In 2020, of the total expenditure, £22,000 (2019 - £35,000) was to unrestricted funds and £1,817,000 (2019 - £1,833,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments in the year.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Academy's educational operations	1,325	514	1,839	1,868
Total 2019	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	1,351	517	1,868	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	

Analysis of direct costs

	Academy's educational operations 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Staff costs	1,271	1,271	1,271
Educational supplies	41	41	48
Staff development	4	4	5
Technology costs	6	6	12
Educational consultancy	2	2	-
Other costs	1	1	15
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	1,325	1,325	1,351
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
Total 2019	1,351	1,351	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's educational operations 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Pension finance costs	17	17	16
Staff costs	123	123	108
Depreciation	90	90	84
Technology costs	11	11	6
Transport	3	3	7
Maintenance of premises	25	25	35
Cleaning	26	26	23
Other premises costs	14	14	11
Energy	21	21	24
Rent and rates	8	8	8
Catering	72	72	88
RPA Fees	7	7	8
Other costs	87	87	89
Governance costs	10	10	10
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	514	514	517
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
Total 2019	517	517	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £000	2019 £000
Operating lease rentals	2	2
Depreciation of tangible fixed assets	90	84
Fees paid to auditors for:		
- audit	7	7
- other services	3	2
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £000	2019 £000
Wages and salaries	1,011	1,023
Social security costs	89	90
Pension costs	280	247
	<hr/>	<hr/>
	1,380	1,360
Supply staff costs	14	19
	<hr/>	<hr/>
	1,394	1,379
	<hr/>	<hr/>

Included in pension costs is a debit of £66,000 (2019 : £77,000) relating to the pension deficit actuarial adjustment.

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	12	14
Teaching support	19	19
Administration	3	3
Management	3	3
Caretaker	1	1
	<hr/>	<hr/>
	38	40
	<hr/>	<hr/>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

10. Staff (continued)

c. Higher paid staff

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

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

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £251,000 (2019: £229,000).

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 £000	2019 £000
A Dixon (Headteacher and Staff Trustee)	Remuneration	75 - 80
	Pension contributions paid	15 - 20

During the year, no Trustees received any benefits in kind (2019 - £NIL).

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

12. Trustees' and Officers' insurance

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

13. Tangible fixed assets

	Leasehold property £000	Furniture and fixtures £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2019	2,506	272	74	2,852
Additions	-	14	1	15
At 31 August 2020	<u>2,506</u>	<u>286</u>	<u>75</u>	<u>2,867</u>
Depreciation				
At 1 September 2019	367	125	69	561
Charge for the year	50	37	3	90
At 31 August 2020	<u>417</u>	<u>162</u>	<u>72</u>	<u>651</u>
Net book value				
At 31 August 2020	<u>2,089</u>	<u>124</u>	<u>3</u>	<u>2,216</u>
At 31 August 2019	<u>2,139</u>	<u>147</u>	<u>5</u>	<u>2,291</u>

14. Stocks

	2020 £000	2019 £000
Finished goods and goods for resale	<u>1</u>	<u>2</u>

15. Debtors

	2020 £000	2019 £000
Short term investments	118	47
VAT debtor	4	15
Prepayments and accrued income	62	66
	<u>184</u>	<u>128</u>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

16. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	25	29
Other taxation and social security	21	21
Other creditors	24	21
Accruals and deferred income	37	36
	107	107
	2020 £000	2019 £000
Deferred income at 1 September 2019	29	27
Resources deferred during the year	23	29
Amounts released from previous periods	(29)	(27)
Deferred income at 31 August 2020	23	29

At the Balance Sheet date the academy held funding received in advance in respect of rates reclaims, UIFSM income and breakfast sales.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

17. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	209	24	(22)	-	-	211
Restricted general funds						
General Annual Grant	297	1,323	(1,219)	(8)	-	393
Pupil Premium	-	219	(219)	-	-	-
PE Grant	-	19	(15)	-	-	4
UIFSM	-	38	(38)	-	-	-
Rates Relief	-	8	(8)	-	-	-
Other DfE/ESFA grants	-	58	(58)	-	-	-
Indicative nursery grant	-	61	(61)	-	-	-
SEN Funding	-	20	(20)	-	-	-
Other government grants	-	6	(6)	-	-	-
Pension reserve	(958)	-	(83)	-	(183)	(1,224)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(661)	1,752	(1,727)	(8)	(183)	(827)
Restricted fixed asset funds						
Inherited on conversion	2,121	-	(50)	-	-	2,071
DfE/ESFA capital grants	59	7	(14)	-	-	52
Capital expenditure from GAG	98	-	(24)	8	-	82
PE Grant	6	-	(1)	-	-	5
Big Lottery	7	-	(1)	-	-	6
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,291	7	(90)	8	-	2,216

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

17. Statement of funds (continued)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Total Restricted funds	1,630	1,759	(1,817)	-	(183)	1,389
Total funds	1,839	1,783	(1,839)	-	(183)	1,600

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

The General Annual Grant (GAG) must be used for the normal running costs of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

PE Grant relates to funding received solely for the provision of sports within the school, including teaching costs relating to PE.

UIFSM is funding received for the provision of catering services.

Other DfE grants relates to a teacher pay grant and teacher pension grant to be used to fund teachers salaries.

SEN funding is to be spent providing extra support to pupils with special educational needs.

Other government grants includes Early Years funding which is to be used for the provision of nursery schools.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 24.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Transfers have been made from the GAG to fixed asset funds in relation to capital assets acquired through GAG.

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

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

17. Statement of funds (continued)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds	213	31	(35)	-	-	209
Restricted general funds						
General Annual Grant	340	1,299	(1,281)	(61)	-	297
Pupil Premium	-	220	(220)	-	-	-
PE Grant	-	18	(18)	-	-	-
UIFSM	-	36	(36)	-	-	-
Rates Relief	-	8	(8)	-	-	-
Other DfE/ESFA grants	-	10	(10)	-	-	-
SEN Funding	-	21	(21)	-	-	-
Other government grants	-	62	(62)	-	-	-
Pension reserve	(602)	-	(93)	-	(263)	(958)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(262)	1,674	(1,749)	(61)	(263)	(661)
Restricted fixed asset funds						
Inherited on conversion	2,171	-	(50)	-	-	2,121
DfE/ESFA capital grants	52	20	(13)	-	-	59
Capital expenditure from GAG	56	-	(19)	61	-	98
PE Grant	7	-	(1)	-	-	6
Big Lottery	8	-	(1)	-	-	7
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,294	20	(84)	61	-	2,291

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

17. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Total Restricted funds	2,032	1,694	(1,833)	-	(263)	1,630
Total funds	2,245	1,725	(1,868)	-	(263)	1,839

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	2,216	2,216
Current assets	211	504	-	715
Creditors due within one year	-	(107)	-	(107)
Provisions for liabilities and charges	-	(1,224)	-	(1,224)
Total	211	(827)	2,216	1,600

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	2,291	2,291
Current assets	209	404	-	613
Creditors due within one year	-	(107)	-	(107)
Provisions for liabilities and charges	-	(958)	-	(958)
Total	209	(661)	2,291	1,839

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

19. Net interest cost on pension scheme

	2020 £000	2019 £000
Interest income on pension scheme assets	28	35
Interest on pension scheme liabilities	(45)	(51)
	<hr/>	<hr/>
	(17)	(16)
	<hr/>	<hr/>

20. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £000	2019 £000
Net expenditure for the period (as per Statement of Financial Activities)	(56)	(143)
	<hr/>	<hr/>
Adjustments for:		
Depreciation	90	84
Capital grants from DfE and other capital income	(7)	(20)
Defined benefit pension scheme cost less contributions payable	66	77
Defined benefit pension scheme finance cost	17	16
Decrease in stocks	1	-
Increase in debtors	(56)	(43)
Increase/(decrease) in creditors	-	(5)
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	55	(34)
	<hr/>	<hr/>

21. Cash flows from investing activities

	2020 £000	2019 £000
Purchase of tangible fixed assets	(15)	(81)
Capital grants from DfE Group	7	20
	<hr/>	<hr/>
Net cash used in investing activities	(8)	(61)
	<hr/>	<hr/>

22. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	530	483
	<hr/>	<hr/>
Total cash and cash equivalents	530	483
	<hr/>	<hr/>

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

23. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	483	47	530
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

24. Pension commitments

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

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

Contributions amounting to £24,000 were payable to the schemes at 31 August 2020 (2019 - £21,000) 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.

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £143,000 (2019 - £100,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £90,000 (2019 - £91,000), of which employer's contributions totalled £71,000 (2019 - £70,000) and employees' contributions totalled £ 19,000 (2019 - £21,000). The agreed contribution rates for future years are 17.2% for employers and 5.5-12.5% 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	3.30	3.60
Rate of increase for pensions in payment/inflation	2.30	2.10
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	2.30	2.10
Commutation of pensions to lump sums	85.00	80.00

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

24. Pension commitments (continued)

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

	2020 Years	2019 Years
Retiring today		
Males	22.2	22.3
Females	24.2	23.8
Retiring in 20 years		
Males	23.2	24.0
Females	25.7	25.7

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	2,596	2,329
Discount rate -0.1%	2,721	2,440
Mortality assumption - 1 year increase	2,561	2,303
Mortality assumption - 1 year decrease	2,755	2,466
CPI rate +0.1%	2,707	2,417
CPI rate -0.1%	2,607	2,352

Share of scheme assets

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

	2020 £000	2019 £000
Equities	708	718
Government bonds	342	367
Corporate bonds	211	167
Property	102	103
Cash and other liquid assets	70	71
Total market value of assets	1,433	1,426

The actual return on scheme assets was (£40,000) (2019 - £133,000).

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

24. Pension commitments (continued)

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

	2020 £000	2019 £000
Current service cost	(137)	(97)
Past service cost	-	(50)
Interest income	28	35
Interest cost	(45)	(51)
Total	(154)	(163)

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

	2020 £000	2019 £000
Opening defined benefit obligation	2,384	1,811
Current service cost	137	97
Interest cost	45	51
Employee contributions	19	21
Actuarial losses	115	361
Benefits paid	(43)	(7)
Past service costs	-	50
Closing defined benefit obligation	2,657	2,384

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

	2020 £000	2019 £000
Opening fair value of scheme assets	1,426	1,209
Interest income	28	35
Actuarial (losses)/gains	(68)	98
Employer contributions	71	70
Employee contributions	19	21
Benefits paid	(43)	(7)
Closing fair value of scheme assets	1,433	1,426

FIRTHMOOR PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

25. Operating lease commitments

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

	2020 £000	2019 £000
AMOUNTS PAYABLE:		
Within one year	2	2
Between one and five years	2	4
	<hr/> 4	<hr/> 6
	<hr/> <hr/>	<hr/> <hr/>

26. 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.

Expenditure related party transactions

VH Pace received £3,000 (2019 : £3,000) in respect of services provided for curriculum support for Modern Foreign Languages. VH Pace did not receive any payment from the academy in respect of her role as Trustee.

In entering into the transaction the academy has complied with the requirements of the Academies Financial Handbook 2019 and was made at arms' length.

The element above £2,500 has been provided 'at no more than cost' and VH Pace has provided a statement of assurance confirming this.