

Company Registration Number: 08572815 (England & Wales)

MEPPERSHALL CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE PERIOD ENDED 31 MARCH 2021**

Members	The Diocese of St Albans educational Trust The Parochial Church Council of St Mary Meppershall Reverend Veronica Goodman
Trustees	Mr Graham Jones, Chair Mrs Anne Parsons Mrs Dawn Abbatt Mrs Michelle Allen, Acting Accounting Officer Mrs Joanne Mitchell Reverend Veronica Goodman Mr David Neale Mrs Caroline Sledge, Head Teacher (resigned 31 December 2020) Mr Mervyn Morgan Mr Keith Callard
Company registered number	08572815
Company name	Meppershall Church of England Academy
Principal and registered office	107 High Street Meppershall Bedfordshire SG17 5LZ
Senior management team	Mrs Michelle Allen, Acting Accounting Officer Mrs Ann Halford, School Business Manager
Independent auditors	George Hay Partnership LLP, Brigham House, 93 High Street Biggleswade, Bedfordshire, SG18 0LD
Bankers	Lloyds Bank, 1 Bancroft, Hitchin, Hertfordshire, SG5 1JQ Barclays Bank, 5-6 High Street, Hitchin, Hertfordshire, SG5 1BH
Solicitors	Wrigleys Solicitors LLP, 19 Cookridge Street, Leeds, LS2 3AG

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

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TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1st September 2020 to 31st March 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 9 serving the catchment area of Meppershall. It has a pupil capacity of 150 and had a roll of 113 pupils on the school census at October 2020.

Structure, governance and management

Constitution

The Academy is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Meppershall Church of England Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Meppershall Church of England Academy.

Details of the Trustees who served during the period, 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

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to a maximum value of £5,000,000.

Method of recruitment and appointment or election of Trustees

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

- The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the principal or any post which is held ex officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.
- No fewer than eight Governors appointed by the members, one of which shall be the Incumbent.
- Up to 2 Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected.

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TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2021

- Up to 2 Staff Governors shall be elected through such process as the Academy determines. The Staff Governors, if so appointed, shall comprise of one Governor appointed from among the teaching members of staff at the Academy and one Governor appointed from among the non-teaching members of staff at the Academy.
- The Governors, with the consent of the Diocesan Board of Education, may appoint up to 2 Co-opted Governors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.
- 1 Governor must also be appointed by Meppershall Parish Council.

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

Policies adopted for the induction and training of Trustees

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

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

The Academy has a Training Link Governor who ensures that all new Governors are made aware of suitable training courses and books them onto courses as needed.

Organisational structure

The structure of the Academy consists of two senior levels: the Board of Directors (Governing Body) and the Head Teacher leading the Senior Leadership Team.

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

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

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

The academy has a Financial Handbook which details the school's authorised spending limits.

Arrangements for setting pay and remuneration of key management personnel

At the beginning of each academic year, the Head teacher undergoes a Performance Management process. This sets performance objectives, together with performance indicators reflecting priorities identified in the school's development plan.

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TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2021

Connected Organisations, Including Related Party Relationships

The only relevant connections the Academy has are with Meppershall Parish Council, who may appoint up to 1 Governor, and the Diocese of St Albans which may appoint up to 8 members (including the Incumbent) in conjunction with other Members.

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Meppershall Church of England Academy to provide education for pupils of different abilities between the ages of 4 and 9 with an emphasis on Christian values for living.

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

- The main objectives of The Academy during the period ended 31st March 21 are summarised below:
 - to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
 - to raise the standard of educational achievement of all pupils.
 - to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
 - to provide value for money for the funds expended;
 - to comply with all appropriate statutory and curriculum requirements.
 - to establish links with the international community; and
 - to conduct academy business in accordance with the highest standards of integrity, probity, and openness.

Objectives, strategies and activities

The main objectives during the period were to:

1. Increase the percentage of pupils working at greater depth in the core subject areas of English and Maths, so that they are closer to those achieved nationally and at Year 4 within the LA.
2. Building on the good work achieved in 2019-20, complete the work on mapping the taught curriculum, developing subject leadership roles and meeting the requirements of the revise Ofsted inspection schedule.
3. Continue to embed the Christian vision of the school, complete an accurate self- evaluation against the SIAMS framework and draw up an effective action plan.
4. To continue to refine and improve financial reporting to governors, ensuring that it is accurate and appropriate. To work with relevant governors to progress plans for full primary status for the school.

These objectives were revised following the Ofsted Inspection in September 2016 and a detailed Post Ofsted Action Plan (POAP) was put together. The Trustees are particularly grateful for the work done by Mrs Judy Ruff, the School Improvement Partner in putting this together.

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Public benefit

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

The academy's public benefit is enshrined in its charitable objects as follows:

- To advance for the public benefit education in Meppershall and the surrounding area, in particular but without prejudice to the generality of the foregoing by estimating, maintaining, carrying on, managing and developing schools, offering a broad curriculum with a strong emphasis on, but in no way limited to, either one or a combination of the specialism.
- To provide facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

Strategic report

Achievements and performance

When the school returned in September of 2020 the Headteacher, Caroline Sledge, submitted her resignation. The Regional Schools' Commissioner contacted Henlow Church of England Academy inviting them to form a MAT and admit Meppershall Academy.

In January 2021 as the MAT was not yet formed but the process of forming one has begun. Henlow Church of England Academy therefore seconded Margaret Newman to be Head of School and Caren Earp continues to work alongside the RSC, ESFA, Diocese of St Alban's in addition to the governing bodies of both schools.

On 1 April 2021 Poppy Hill Church of England Multi Academy Trust was formed. Caren Earp established as Executive Headteacher and Margaret Newman as Head of School. New systems of governance established through a structure of Members, Trustees and one local governing body across both of the schools.

Following the first day of the new head taking on her role the government announced the lockdown. The school operated with two bubbles of key workers which ranged between 20 and 30 pupils a day.

Steps were taken to facilitate online learning. Pupils who did not have access to computers were loaned school laptops. Pupils were allocated google accounts so that they could access google classroom. Work was set at 4pm for the following day to allow parents to access teaching materials. Teachers recorded a video message each day introducing the lessons for the day. Each class had a live catchup once a week plus a live element to a lesson eg Science plenary. In order to promote PE the school purchased skipping ropes for each child together with online lessons

During the period of January 2020 until the end of March 2021 when the MAT was formed the following list details some of the strategic improvements made:

- The previously purchased Curriculum tool (Cornerstones Maestro) which was intended to provide planning resources and a secure means of tracking planned and actual coverage of the national curriculum was shown to have gaps. Staff training was held to ensure that the school has curriculum coverage.
- Middle Leaders are being developed to take on a more strategic role for their subject. They have received training to review their subjects, focussing on curriculum gaps and how to write a development plan.

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- The library has been reclaimed as a usable space (previously used for storage) and new reading books have been acquired and more new decodable reading books for Foundation Stage and Key Stage 1 have been purchased. In addition, the school has applied for a Foyles Grant to support the library.
- A large body of work has been conducted around behaviour. Staff felt the new policy was unclear and difficult to follow for teachers and children. Policy was reviewed by consulting staff and pupils and ratified by governors. All pupils were introduced to the new policy and LSAs were given training.
- As we have a higher than average SEND cohort a member of staff is going to undergo SENDCo training next year. Our SENDCo from Henlow continues to do an excellent job and will support her through this process.
- Three members of staff have completed the Teamteach 'Developing and supporting positive behaviours training' to assist them in working with the children who need the most support
- Much support has been given by Henlow Church of England Academy in the form of support for: Library, SEND, Site management, Safeguarding, Publicity and Promotion, Head of School, Business Management and Strategic leadership as CBC moves to a primary/ secondary model.
- The school's work with The English Hub continues although we now need to look for a new scheme as the DFE's Letters and Sounds is no longer on the approved list.
- The previous Head invested in CPOMs but it was not being used consistently if at all for behaviour. There are now established routines around the logging of behaviour.
- The school underwent a Safeguarding Audit by CBC on 9th February which raised a few minor points which have subsequently been addressed.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy will not continue as a going concern due to the transfer of the school out of the Trust on 1st April 2021. For this reason, the financial statements will be prepared using the break-up basis. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

Reserve's policy

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

The trustees have determined that the appropriate level of free reserves should be equivalent to one months' expenditure, which is approximately £45,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

All reserve balances at the end of the period are nil. This is due to academy leaving the trust at the balance sheet date and all reserves being transferred accordingly.

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TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2021

Investment policy

The academy holds surplus cash balances in Lloyds and Barclays interest bearing current accounts.

Principal risks and uncertainties

In common with many other educational establishments and businesses the Covid 19 national school closure from March 23rd 2020 presented a particularly challenging period for the Academy, during which the Head Teacher (to 31st December 2020) and the Head of School (from 1st January 2021) led the school demonstrating care and concern for the well-being of staff and children as well as ensuring the school function on site for key workers and remotely for other children. Parents have commended the school for the way in which they addressed these challenges.

The Academy has managed its risks through its School Development Plan and the actions that have driven improvements in key areas to mitigate strategic risks within its control.

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

1. Government funding

The academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority.

This risk has been mitigated in a number of ways:

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

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the local government pension scheme deficit on the academy's balance sheet in line with the requirements of FRS 17.

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

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TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2021

3. Pupil Strategy

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

- Ensuring the academy delivers high quality education and training;
- Maintaining outstanding success rates and good inspection outcomes; and
- Investing in its teaching and support staff and resources.

With ongoing commitment to quality, the academy now provides market-leading learning environments with state of the art technology and specialist resources. This places the academy in an excellent position to attract new pupils.

Fundraising

The academy planned to raise additional income from parent and grandparent lunches and the hiring out of the school hall. This has not been possible due to the current Covid 19 restrictions.

Plans for future periods

The Trustees are delighted that Henlow Church of England Academy became a Multi-Academy Trust and admitted the Meppershall on 1st April 2021 at the first opportunity to do so.

The Trustees would like to formally thank and recognise those responsible for the considerable amount of work required before Meppershall could be admitted to the Poppy Hill Multi-Academy Trust in particular, but by no means limited to the Diocesan Director of Education, Mr David Morton and the other members of that team.

Funds Held as Custodian on Behalf of Others

No such funds are held by the Academy.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 22nd June 2021 and signed on its behalf by:

Mr Graham Jones
Chair of Trustees

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

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GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Meppershall Church of England Academy 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.

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Meppershall Church of England Academy 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 8 times during the period.

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

Trustee	Meetings attended	Out of a possible
Mr Graham Jones, Chair	8	8
Mrs Anne Parsons	8	8
Mrs Dawn Abbatt	7	8
Mrs Michelle Allen, Acting Accounting Officer	8	8
Mrs Joanne Mitchell	5	8
Reverend Veronica Goodman	7	8
Mr David Neale	8	8
Mrs Caroline Sledge, Head Teacher	4	4
Mr Mervyn Morgan	8	8
Mr Keith Callard	8	8

Mr Graham Jones remained as overall Chair and Mr Keith Callard as Vice-Chair during the period.

From September 2020, the separate committees all merged to create a Full Governing Body Committee therefore all matters relating to the school were discussed at the meetings.

Governance reviews

Governors produced and agreed a Strategic Vision for the Academy and reviewed their roles and structure as from September 2020.

The Governors have also had discussions with the Diocese about its involvement with the governance of the academy and the appointment of Governors.

There is a nominated governor co-ordinating training needs. Governors found meeting with other Governors on training courses and at other events organised by Central Bedfordshire were useful in sharing good practice.

The Chair of Governors met with the Head Teacher approximately every two weeks to discuss any relevant matters, and other Governors regularly visit the school to maintain an informed view of the day to day work being carried out.

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GOVERNANCE STATEMENT (continued)

The School Manager has compiled a policy review schedule, and policies are reviewed by the Full Governing Body.

The Academy Financial Regulation Handbook has been reviewed. The Finance, Business and Strategy committee seeks to ensure best value for money for all pupils.

The Governors believe and continue to strive to provide a stable platform to maximise the potential of all pupils.

Review of value for money

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

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

- Improving educational results. As there were no national assessments this year we have been reliant on the external monitoring undertaken during Autumn and Spring terms. The reports showed signs of improvement in key areas.
- Targeted improvement. The Post Ofsted Action plan has addressed how improvement has been targeted, and the school has been held to account by a Board led by the Diocesan Deputy Director of Education. The trust has ensured that teaching and support staff are deployed efficiently and effectively to support the needs of all children and to ensure sustained development and improvement of the curriculum.
- Focus on individual pupils with a range of strategies that we have adopted at the Academy to support individual pupils including: one to one support; small, differentiated groups during Phonics Sessions and a range of intervention groups.

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 Meppershall Church of England Academy for the period 1 September 2020 to 31 March 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2020 to 31 March 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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GOVERNANCE STATEMENT (continued)

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees appointed Ms Justine McCarthy, the Business Manager of Clifton Church of England Academy Trust to perform peer review.

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

- review of payroll system;
- review of purchase system;
- review of administration of donations;

- review of payments system & bank reconciliations; and
- review of VAT reconciliations.

On an annual basis, the reviewer reports to the board of trustees through the preparation of a report on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of effectiveness

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

- the work of the internal reviewer;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 22nd June 2021 and signed on their behalf, by:

Graham Jones
Chair of Trustees

Michelle Allen
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

Caroline Sledge, the Accounting Officer of Meppershall Church of England Academy, resigned from her employment with the Trust on 31st December 2020. Mrs Sledge's replacement as accounting officer was not appointed until the transfer of the academy out of the trust took place on 1st April 2021.

I was therefore installed as acting accounting officer of Meppershall Church of England Academy for the intervening period. In this role I have considered my responsibility to notify the Academy Board of Trustees and the Education and 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 2020.

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 2020.

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

Michelle Allen

Temporary Acting Accounting Officer

Date: 29th June 2021

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STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE PERIOD ENDED 31 MARCH 2021

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 22nd June 2021 and signed on its behalf by:

Graham Jones
Chair of Trustees

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MEPPERSHALL CHURCH OF ENGLAND ACADEMY

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Emphasis of matter

We draw attention to Note 1.2 to the financial statements which explains that the academy is transferred to another trust from 1st April 2021. It is anticipated that the Meppershall Church of England Academy Trust will have no activity thereafter. Therefore, the trustee's do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1.2. Our opinion is not modified in this respect of this matter.

We also draw your attention to the Note 26 in the financial statements which explains why the fund balances are nil at the period end. The note details that it is due to all funds being transferred along with the academy to another Trust at the year end. Our opinion is not modified in this respect of this matter.

Conclusions relating to going concern

We report that the trustee's use of the break-up basis is appropriate due to the transfer of the academy from the Trust and the associated, anticipated inactivity from 1st April 2021. Application of the going concern basis is no longer considered appropriate.

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MEPPERSHALL CHURCH OF ENGLAND ACADEMY (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 period 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.

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.

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MEPPERSHALL CHURCH OF ENGLAND ACADEMY (CONTINUED)

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

1. The nature of the industry and sector, control environment and business performance
2. The requirements of the Trust's funding agreement with the Secretary of State for Education, the relevant Academies Financial Handbook (AFH) and the Academies Accounts Direction (AAD).
3. Enquiries with management and those charged with Governance about their own identification and assessment of the risks of irregularities.
4. The matters discussed among the audit team regarding how and where fraud might occur and fraud indicators. Including the effect of COVID related factors.
5. The experience and expertise, in the specialised Academy sector, of the senior statutory auditor and the engagement team and whether they have appropriate competence and capabilities to properly identify, assess and respond to risks.

As a result of these procedures, we identified the greatest potential for fraud in terms of misstatements in the financial statements was in relation to spurious or inaccurate claims for grants and funding including that under Coronavirus related Government support schemes. The risk of management override of systems and controls was also identified as significant. In common with all audits under ISA's (UK), we are required to perform specific procedures to respond to the risk of management override. The assessment of the risk of fraud in terms of misappropriation of assets highlighted fraudulent payments as a focus area.

In considering the legal and regulatory framework within which the company operates, we focused on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. Key laws and regulations considered include the UK Companies Act, the Charities SORP, the AFH and the AAD as well as those associated with other sources of funding.

We also considered those laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty, these include Health & Safety and Coronavirus guidance for schools.

Audit response to risks identified:

Testing was undertaken in order to confirm the existence of qualifying conditions for relevant grants and funding. This included, on a sample basis, interrogation of core records, enquiries of management and those charged with Governance and corroboration to board and committee meeting minutes. Expenditure was reviewed to confirm that it complied with any restrictive terms and conditions stated in the corresponding funding agreements.

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MEPPERSHALL CHURCH OF ENGLAND ACADEMY (CONTINUED)**

In order to gain assurance in respect of the management override risks identified we assessed and tested the operating effectiveness of systems and controls and we incorporated testing of manual journal entries, both at the period end and throughout the period, into our audit approach.

To cover the assessed risks in relation to fraudulent payments, we ensure that transactions are conducted in line with the company's authority matrix, together with a review of expenses in the profit and loss to ensure that they are genuine business expenses. We also perform analytical procedures to identify any unusual or unexpected relationship that may indicate risks of material misstatement due to fraud, these procedures also include benchmarking and variance analysis.

Our testing of compliance with the funding agreement, AFH and AAD was heavily interlinked with our procedures and the work undertaken in our review on regularity as reported on page 18.

We remained alert to any indications of fraud or non-compliance throughout the entire audit process.

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.

Colin Airey FCCA (senior statutory auditor)

for and on behalf of

George Hay Partnership LLP

Brigham House
93 High Street
Biggleswade
Bedfordshire
SG18 0LD

Date: 30th June 2021

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MEPPERSHALL CHURCH OF ENGLAND ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

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

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

Respective responsibilities of Meppershall Church of England Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Meppershall Church of England Academy's funding agreement with the Secretary of State for Education dated 3 Jul 2013 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
MEPPERSHALL CHURCH OF ENGLAND ACADEMY AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

Conclusion

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

Matter 1

Prior to the transfer of the Academy's assets and liabilities, the General Annual Grant fund was in deficit by £41,971. The overspend has, in effect, been drawn from other restricted funds which were not intended for this purpose. This represents as breach of the terms and restrictions stipulated within other funding agreements.

George Hay Partnership LLP

Brigham House
93 High Street
Biggleswade
Bedfordshire
SG18 0LD

Date: 30th June 2021

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	2	153	600,212	-	600,365	13,558
Charitable activities		-	353,934	-	353,934	545,919
Other trading activities	4	2,837	-	-	2,837	6,878
Investments	5	20	-	-	20	170
Total income		3,010	954,146	-	957,156	566,525
Expenditure on:						
Charitable activities	6	2,990	395,994	1,000,696	1,399,680	650,227
Total expenditure		2,990	395,994	1,000,696	1,399,680	650,227
Net income/(expenditure) before transfers		20	558,152	(1,000,696)	(442,524)	(83,702)
Transfers between funds	15	(20)	20	-	-	-
Net movement in funds before other recognised gains/(losses)		-	558,172	(1,000,696)	(442,524)	(83,702)
Actuarial losses on defined benefit pension schemes	22	-	(13,000)	-	(13,000)	(379,000)
Net movement in funds		-	545,172	(1,000,696)	(455,524)	(462,702)
Reconciliation of funds:						
Total funds brought forward		-	(545,172)	1,000,696	455,524	918,226
Total funds carried forward		-	-	-	-	455,524

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)
REGISTERED NUMBER: 08572815

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	31 March 2021 £	31 August 2020 £
Fixed assets			
Tangible assets	12	-	984,130
		<hr/>	<hr/>
		-	984,130
Current assets			
Debtors	13	-	14,112
Cash at bank and in hand		-	52,216
		<hr/>	<hr/>
		-	66,328
Creditors: amounts falling due within one year	14	-	(68,934)
		<hr/>	<hr/>
Net current assets / liabilities		-	(2,606)
		<hr/>	<hr/>
Total assets less current liabilities		-	981,524
Defined benefit pension scheme asset / liability	22	-	(526,000)
		<hr/>	<hr/>
Total net assets		<hr/> <hr/>	<hr/> <hr/> 455,524
Funds of the Academy			
Restricted funds:			
Fixed asset funds	15	-	1,000,696
Restricted income funds	15	-	(19,172)
Pension reserve	15	-	(526,000)
		<hr/>	<hr/>
Total restricted funds	15	-	455,524
Unrestricted income funds	15	-	-
		<hr/>	<hr/>
Total funds		<hr/> <hr/>	<hr/> <hr/> 455,524

The financial statements on pages 20 to 44 were approved by the Trustees and authorised for issue on 22nd June 2021 and are signed on their behalf, by:

Mr Graham Jones
Chair of Trustees

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	18	(52,636)	<i>(41,158)</i>
Cash flows from investing activities	19	<u>420</u>	<i><u>1,953</u></i>
Change in cash and cash equivalents in the period		(52,216)	<i>(39,205)</i>
Cash and cash equivalents at the beginning of the period		52,216	<i>91,421</i>
Cash and cash equivalents at the end of the period	20, 21	<u><u>-</u></u>	<i><u><u>52,216</u></u></i>

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Academy transferred to another Trust from 1 April 2021 therefore the Trustees assessment is that the Trust is no longer a going a concern thus these financial statements will be prepared on the breakup basis.

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting policies (continued)

- **Other Income**

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

- **Donated goods, facilities and services**

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

- **Donated fixed assets (excluding transfers on conversion/into the academy trust)**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.5 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Leasehold property	- 2%	Straight Line
Furniture and fixtures	- 10%	Straight Line
Computer equipment	- 20%	Straight Line
Improvements to Property	- 2%	Straight Line

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

1.6 Liabilities

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

1.7 Provisions

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

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

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.8 Leased Assets

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

1.9 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 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in the 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.

1.11 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.

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting policies (continued)

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

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

1.12 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.

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

1.13 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 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

2. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	153	1,141	-	1,294	2,749
Donation – Funds transferred on Academy leaving the trust	-	598,533	-	598,533	-
Grants	-	350	-	350	5,215
Other voluntary income	-	188	-	188	5,594
Total 2021	153	600,212	-	600,365	13,558
<i>Total 2020</i>	<u>2,325</u>	<u>6,018</u>	<u>5,215</u>	<u>13,558</u>	

3. Funding for the academy trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020
DfE/ESFA grants			
General annual Grant (GAG)	276,113	276,113	438,530
Other DfE/ESFA grants			
UIFSM	450	450	22,488
Pupil Premium	4,705	4,705	8,190
PE Sports Funding	9,876	9,876	16,890
Teacher's Pay and Pension Grant	13,756	13,756	22,638
Others	5,487	5,487	-
	<u>310,387</u>	<u>310,387</u>	<u>508,736</u>
Other Government Grants			
Local authority grants	37,330	37,330	32,511
Coronavirus Job Retention Scheme Grant	6,217	6,217	4,672
	<u>43,547</u>	<u>43,547</u>	<u>37,183</u>
	353,934	353,934	545,919

MEPPERSHALL CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

The academy trust has been eligible to claim additional funding in the period from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Coronavirus Job Retention Scheme Grant".

- The academy furloughed some of its midday supervisors and catering staff under the government's CJRS. The funding received of £6,217 relates to staff costs in respect of 2 staff which are included within note 9 below.

4. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Catering income	2,837	2,837	6,578
Hall Hire	-	-	300
	<u>2,837</u>	<u>2,837</u>	<u>6,878</u>

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank account interest	20	20	170
	<u>20</u>	<u>20</u>	<u>170</u>

6. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure for the Academy's educational operations:				
Direct costs	258,617	11,691	1,004,624	1,274,932
Support costs	70,792	9,906	44,050	124,748
	<u>329,409</u>	<u>21,597</u>	<u>1,048,674</u>	<u>1,399,680</u>
Total 2020	<u>527,684</u>	<u>32,031</u>	<u>87,512</u>	<u>650,227</u>

Net income/(expenditure) for the period includes:

	31 March 2021 £	<i>31 August 2020 £</i>
Operating lease rentals	3,282	6,717
Depreciation of tangible fixed assets	11,691	19,972
Loss on disposal of fixed assets	305	-
Fees paid to auditors for:		
- audit	7,850	7,850
- other services	<u>500</u>	<u>500</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

7. Direct costs

	Funding for the Academy's Educational activities 2021 £	Total funds 2020 £
Net interest cost on pension scheme	2,184	1,049
Staff costs	227,259	426,602
Depreciation	11,691	19,972
Educational Supplies	12,006	17,030
Staff development	690	5,662
(Profit)/Loss on disposal of fixed assets	305	-
Agency staff costs	31,358	-
Other costs	736	1,480
Restricted Fixed Asset transfer out	988,703	-
	<u>1,274,932</u>	<u>471,795</u>

8. Analysis of support costs

	Funding for the Academy's Educational activities 2021 £	Total funds 2020 £
Pension finance costs	2,816	951
Staff costs	70,792	101,082
Technology Costs	3,092	1,281
Maintenance of premises and equipment	3,433	5,602
Cleaning	2,044	3,044
Rent and rates	2,997	3,560
Energy costs	3,476	2,897
Insurance	5,347	5,390
Telephone, postage and stationery	1,728	4,241
Catering	3,119	9,119
Other costs	133	161
Operating Leases	3,282	6,717
Auditors' remuneration and personnel fees	7,850	7,850
Auditors' non audit costs	500	1,000
Legal & Professional fees	14,139	25,537
	<u>124,748</u>	<u>178,432</u>

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9. Staff

a. Staff costs

Staff costs during the period were as follows:

	2021	2020
	£	£
Wages and salaries	207,469	387,897
Social security costs	18,659	28,009
Pension costs	71,922	111,778
	<u>298,050</u>	<u>527,684</u>
Agency staff costs	31,357	-
	<u>329,407</u>	<u>527,684</u>

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	7	7
Support and administration	14	16
Management	1	1
	<u>22</u>	<u>24</u>

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

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 £99,934 (2020 £146,093).

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10. Trustees' remuneration and expenses

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

		7 Months to 31 March 2021	<i>Year Ended 31 August 2020</i>
		£	£
Mrs Caroline Sledge, Head Teacher (resigned 31/12/2020)	Remuneration	15,000 - 20,000	<i>50,000 - 55,000</i>
	Pension contributions paid	0 - 5,000	<i>10,000 - 15,000</i>
Michelle Allen, Acting Accounting Officer	Remuneration	15,000 - 20,000	<i>30,000 - 35,000</i>
	Pension contributions paid	0 - 5,000	<i>5,000 - 10,000</i>
Mrs Joanne Mitchell	Remuneration	5,000 - 10,000	<i>10,000 - 15,000</i>
	Pension contributions paid	0 - 5,000	<i>0 - 5,000</i>

During the period ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

11. Trustees' and Officers' insurance

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

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12. Tangible fixed assets

Cost	Long-term leasehold property £	Computer equipment £	Fixtures and Fittings	Improvements to property £	Total £
At 1 September 2020	935,000	16,995	4,810	161,234	1,118,039
Disposals	-	(1,245)	-	-	(1,245)
Transferred on Academy leaving Trust	(935,000)	(15,750)	(4,810)	(161,234)	(1,116,794)
At 31 March 2021	-	-	-	-	-
Depreciation					
At 1 September 2020	102,199	11,455	1,262	18,994	133,909
Charge for the period	8,318	1,211	281	1,881	11,691
On disposals	-	(539)	-	-	(539)
Transferred on Academy leaving Trust	(110,517)	(12,127)	(1,543)	(20,875)	(145,061)
At 31 March 2021	-	-	-	-	-
Net book value					
At 31 March 2021	-	-	-	-	-
At 31 August 2020	832,801	5,540	3,548	142,240	984,130

13. Debtors

	31 March 2021 £	31 August 2020 £
Prepayment and accrued income	-	14,112
	-	14,112

14. Creditors: Amounts falling due within one year

	31 March 2021 £	31 August 2020 £
Trade creditors	-	5,697
Social Security and Taxation	-	7,381
ESFA Creditor	-	37,496
Other creditors	-	10,010
Accruals	-	8,350
	-	68,934

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General Funds - all funds	-	3,010	(2,990)	(20)	-	-
	<u>-</u>	<u>3,010</u>	<u>(2,990)</u>	<u>(20)</u>	<u>-</u>	<u>-</u>
Restricted general funds						
General Annual grant (GAG)	(26,413)	318,085	(291,692)	20	-	-
Other DfE/ESFA grants	5,964	65,376	(71,340)	-	-	-
Other income	1,277	6,685	(7,962)	-	-	-
Pension reserve	(526,000)	564,000	(25,000)	-	(13,000)	-
	<u>(545,172)</u>	<u>954,146</u>	<u>(395,994)</u>	<u>20</u>	<u>(13,000)</u>	<u>-</u>
Restricted fixed asset funds						
Transfer on conversion	832,803	-	(832,803)	-	-	-
DfE Group capital grants	165,269	-	(165,269)	-	-	-
Capital expenditure from GAG	125	-	(125)	-	-	-
Capital expenditure from other income	2,499	-	(2,499)	-	-	-
	<u>1,000,696</u>	<u>-</u>	<u>(1,000,696)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Restricted funds	<u>455,524</u>	<u>954,146</u>	<u>(1,396,690)</u>	<u>20</u>	<u>(13,000)</u>	<u>-</u>
Total funds	<u>455,524</u>	<u>957,156</u>	<u>(1,399,680)</u>	<u>-</u>	<u>(13,000)</u>	<u>-</u>

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

Unrestricted funds

The main source of income included within unrestricted funds is £2,837 of parental contributions towards school dinners for pupils in years 3 & 4. The funds are generally used to cover the costs of this activity, with any surpluses being held to supplement the Trust's primary charitable activity, being the provision of education.

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FOR THE PERIOD ENDED 31 MARCH 2021**

15. STATEMENT OF FUNDS (continued)

Restricted funds

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

Other DfE/ESFA Grants include:

Pupil Premium Grant, intended to raise the attainment of disadvantaged pupils of all abilities to reach their potential;

Universal Infant Free School Meals, intended to provide every pupil in reception and years 1 & 2 with a daily meal: and PE and Sport Premium grant, intended to encourage the development of healthy, active lifestyles through additional and sustainable improvements to the provision of PE and sport.

Costs were expended in accordance with the purposes for which the grants were intended. Carried forward funds are held in anticipation of future relevant costs in accordance with the conditions of the grants.

Local Government Grants consists of funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupil's education; all was expended in the year in accordance with the purposes for which the grant was intended.

Other income comprises various other receipts including parental contributions to school trips, after school clubs and various minor contributions from private individuals/local organisations.

A grant from the UK Government of £6,217 was received in relation to COVID-19 and the furloughing of employees while the school was not operating at full capacity.

Restricted fixed asset funds

These funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total resources expended within this fund comprise the depreciation charge for the year.

All funds at the balance sheet date were transferred to another Academy Trust in their entirety with the Academy. There are therefore no funds carried forward or held in the Trust.

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

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General Funds - all funds	-	9,373	(8,843)	(530)	-	-
Restricted general funds						
General Annual grant (GAG)	16,438	438,530	(481,911)	530	-	(26,413)
Other DfE/ESFA grants	4,497	107,389	(105,922)	-	-	5,964
Other income	1,838	6,018	(6,579)	-	-	1,277
Pension reserve	(120,000)	-	(27,000)	-	(379,000)	(526,000)
	<u>(97,227)</u>	<u>551,937</u>	<u>(621,412)</u>	<u>530</u>	<u>(379,000)</u>	<u>(545,172)</u>
Restricted fixed asset funds						
Transfer on conversion	847,063	-	(14,260)	-	-	832,803
DfE Group capital grants	165,212	5,215	(5,158)	-	-	165,269
Capital expenditure from GAG	362	-	(237)	-	-	125
Capital expenditure from other income	2,816	-	(317)	-	-	2,499
	<u>1,015,453</u>	<u>5,215</u>	<u>(19,972)</u>	<u>-</u>	<u>-</u>	<u>1,000,696</u>
Total Restricted funds	<u>918,226</u>	<u>557,152</u>	<u>(641,384)</u>	<u>530</u>	<u>(379,000)</u>	<u>455,524</u>
Total funds	<u>918,226</u>	<u>566,525</u>	<u>(650,227)</u>	<u>-</u>	<u>(379,000)</u>	<u>455,524</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds

	Unrestricted funds 31 March 2021 £	Restricted funds 31 March 2021 £	Restricted fixed asset funds 31 March 2021 £	Total funds 31 March 2021 £
Total	-	-	-	-

Analysis of net assets between funds - prior period

	Unrestricted funds 31 August 2020 £	Restricted funds 31 August 2020 £	Restricted fixed asset funds 31 August 2020 £	Total funds 31 August 2020 £
Tangible fixed assets	-	-	984,130	984,130
Current assets	-	12,268	54,060	66,328
Creditors due within one year	-	(31,440)	(37,494)	(68,934)
Provisions for liabilities and charges	-	(526,000)	-	(526,000)
Total	-	(545,172)	1,000,696	455,524

17. OPERATING LEASE COMMITMENTS

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

	2021 £	2020 £
Amounts payable:		
Within 1 year	-	4,252
Between 1 and 5 years	-	2,474
Total	-	6,726

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NOTES TO THE FINANCIAL STATEMENTS
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18. Reconciliation of net expenditure to net cash flow from operating activities

	31 March 2021 £	31 August 2020 £
Net expenditure for the period (as per statement of financial activities)	(442,524)	(83,702)
Adjustments for:		
Depreciation	11,691	19,972
Disposal of tangible fixed assets	302	-
Interest receivable	(20)	(170)
Defined benefit pension scheme finance cost	25,000	27,000
Decrease/(Increase) in debtors	(6,534)	(1,119)
(Decrease)/Increase in creditors	4,212	2,076
Capital grants from DfE and other capital income	-	(5,215)
Transfer out of Restricted fixed asset funds (excluding cash)	934,237	-
Transfer out of Restricted funds (excluding cash)	(579,000)	-
Net cash used in operating activities	<u>(52,636)</u>	<u>(41,158)</u>

19. Cash flows from investing activities

	31 March 2021 £	31 August 2020 £
Dividends, interest and rents from investments	20	170
Purchase of tangible fixed assets	-	(3,432)
Proceeds from the sale of tangible fixed assets	400	-
Capital grants from DfE Group	-	5,215
Net cash provided by investing activities	<u>420</u>	<u>1,953</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of cash and cash equivalents

	31 March 2021 £	31 August 2020 £
Cash in hand	-	52,216
Total cash and cash equivalents	-	52,216

21. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 March 2021
Cash at bank and in hand	52,216	(52,216)	-
	52,216	(52,216)	-

22. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedfordshire Borough 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.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

22. 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 period amounted to £30,047 (2020 - £58,015).

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 period ended 31 March 2021 was £24,000 (2020 - £39,000), of which employer's contributions totalled £20,000 (2020 - £32,000) and employees' contributions totalled £ 4,000 (2020 - £7,000). The agreed contribution rates for future years are 30 per cent for employers and 5.5 per cent for employees.

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

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NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.8	3.3
Rate of increase for pensions in payment/inflation	2.8	2.3
Discount rate for scheme liabilities	<u>2.0</u>	<u>1.6</u>

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	22.2	22.2
Females	24.5	24.3
<i>Retiring in 20 years</i>		
Males	23.2	23.4
Females	<u>26.1</u>	<u>26.1</u>

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	22,000	20,000
Discount rate -0.1%	(22,000)	(20,000)
Mortality assumption - 1 year increase	(37,000)	(28,000)
Mortality assumption - 1 year decrease	36,000	27,000
CPI rate +0.1%	(21,000)	(20,000)
CPI rate -0.1%	<u>21,000</u>	<u>19,000</u>

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

	31 March	31 August
	2021	2020
	£	£
Equities	266,000	236,000
Corporate bonds	72,000	56,000
Property	36,000	33,000
Cash and other liquid assets	10,000	21,000
Total market value of assets	<u>384,000</u>	<u>346,000</u>

The actual return on scheme assets was £12,000 (2020 - £12,000).

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22. Pension commitments (continued)

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

	31 March 2021	<i>31 August 2020</i>
	£	£
Current service cost	(40,000)	(57,000)
Employer Contributions	20,000	32,000
Interest income	3,000	4,000
Interest cost	(8,000)	(6,000)
Total amount recognised in the Statement of financial activities	(25,000)	<i>(27,000)</i>

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

	31 March 2021	<i>31 August 2020</i>
	£	£
At 1 September	872,000	<i>305,000</i>
Current service costs	40,000	57,000
Interest cost	8,000	6,000
Employee contributions	4,000	7,000
Actuarial losses	22,000	509,000
Benefits paid	2,000	(12,000)
Transferred on Academy leaving the Trust	(948,000)	
At 31 March	-	<i>872,000</i>

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

	31 March 2021	<i>31 August 2020</i>
	£	£
At 1 September	346,000	<i>185,000</i>
Interest income	3,000	4,000
Actuarial gains	9,000	130,000
Employer contributions	20,000	32,000
Employee contributions	4,000	7,000
Benefits paid	2,000	(12,000)
Transferred on Academy leaving the Trust	(384,000)	
At 31 March	-	<i>346,000</i>

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22. Members' liability

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

23. Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

25. COVID-19

During the year, the pandemic outbreak of COVID-19 has had a significant impact on both people and industry across the world. The governors are carefully monitoring the situation and following the applicable guidance issued by the UK Government. Due to the nature of the outbreak and the ongoing affect it is having globally it is currently very difficult to fully predict the overall impact this situation will have on the Trust and the sector going forward.

The governors have considered the impact of this on the measurements of assets and liabilities in the financial statements and concluded that no adjustments are required.

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NOTES TO THE FINANCIAL STATEMENTS
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26. Transfer out on academies leaving the academy

	Transfer out on academy leaving the trust £
Tangible fixed assets	
Long-term leasehold property	824,485
Improvements to property	140,359
Furniture and equipment	3,268
Computer equipment	3,623
Current assets	
Debtors due within one year	20,646
Cash at bank and in hand	34,935
Liabilities	
Creditors due within one year	(73,146)
Pensions	
Pensions - pension scheme assets	384,000
Pensions - pension scheme liabilities	(948,000)
Net assets	<u>390,170</u>

On 1st April 2021, the academy was transferred to the Poppy Hill Church of England Multi Academy Trust and the Meppershall Church of England Academy Trust therefore ceased its activity. The Trust's net assets/liabilities and all funds were transferred to the Poppy Hill Church of England Multi Academy Trust resulting in zero fund balances being carried forward.