

Company Registration No. 07464058 (England and Wales)

**THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

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THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr Darren Ayling
Mr Martin Bloom
Mr Andrew Boulton
Mr Stephen Crane
The Very Reverend Christopher Dalliston
Mr Kevin Palmer
Mr Christopher Trotman

Governors

Mrs Sharon Abbott (Resigned 31 August 2021)
Mr James Adkins (Resigned 4 September 2021)
Mrs Tina Allen
Mr H R Quentin Arnold (Responsible Officer)
Mr Darren Ayling (Accounting Officer)
Mr Martin Bloom
Mr Andrew Boulton
Mrs Susan Burgess
Miss Tansy Castledine
Mr Stephen Crane (Chair of Finance)
The Very Reverend Christopher Dalliston
Miss Elizabeth Dunmore
Reverend Mandy Flaherty (Resigned 17 May 2021)
Mr Timothy Hitch
Mrs Barbara John (Resigned 3 October 2021)
Mrs Susan Lowe-Lauri
Mr Kevin Palmer (Chair of Governors)
Mrs J Lynne Thurlow
Mr Christopher Trotman
Reverend Canon Dr Rowan Williams (Appointed 17 September 2020)

Senior management team

- Headteacher	Mr Darren Ayling
- Deputy Headteacher - Academic	Mr Duncan Rhodes
- Deputy Headteacher - Pastoral	Mrs Helen Birch
- Assistant Headteacher - Sixth Form	Mrs Lucy Willis
- Assistant Headteacher - Middle School	Mr Charlie Armstrong
- Assistant Headteacher - Lower School	Mr James Stubbs
- Special Educational Needs & Disabilities Co-ordinator	Mrs Julia Hartley
- Finance & Administration Manager	Mr Richard Allinson
- Seconded to SLT	Mrs Emma Weston
- Accounting officer	Mr Darren Ayling

Company secretary

Mr Richard Allinson

Company registration number

07464058 (England and Wales)

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address	Park Road Peterborough PE1 2UE United Kingdom
Registered office	Park Road Peterborough PE1 2UE United Kingdom
Independent auditor	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough PE1 2SP United Kingdom
Internal auditor	TIAA Ltd Artillery House Fort Fareham Fareham Hampshire PO14 1AH
Bankers	Virgin Money 5 Church Street Peterborough PE1 1XB Close Brothers Savings 10 Crown Place London EC2A 4FT
Solicitors	Stone King LLP Wellington House East Road Cambridge CB1 1BH United Kingdom

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged between 7 and 18 serving a catchment area of Peterborough and surrounding counties. It has a pupil capacity of 1,150 and had a roll of 1,230 (2020: 1,226) in the school census as at October 2020.

Structure, governance and management

Constitution

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

The Governors are the trustees of The King's (The Cathedral) School, Peterborough and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year, and up 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.

Governors' indemnities

The Academy Trust has insurance cover of £5m for Governors' Liabilities.

Method of recruitment and appointment or election of Governors

Nine Governors are appointed by The Dean and Chapter of Peterborough Cathedral and one by the Diocese of Peterborough. Two are Community Governors appointed by the members. The Headteacher is a Staff Governor, and two other members of staff are elected Staff Governors. Four Parent Governors, who must be parents of students on roll at the time of their election, are elected by other such parents. Vacancies are advertised to the relevant constituencies, and nominations sought. Those appointing Chapter and Community Governors would seek to achieve a breadth of experience and skills across the Board of Governors.

Policies and procedures adopted for the induction and training of Governors

A programme of induction and training is offered to all Governors, who are encouraged to attend relevant training organised by the Academy and external agencies, including the Diocese of Peterborough and Peterborough City Council.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The Board of Governors is responsible for setting general policy, adopting a development plan and annual budget, monitoring the academy by the use of budgets and making major decisions about the direction and nature of the academy, capital expenditure and the appointment of the Headteacher and Deputy Headteacher(s). Governors are also involved in the appointment of other members of the academy staff by taking part in the interview process.

The Board of Governors is responsible for the authorisation of spending within agreed budgets and limits. There are six Governor committees which report to the Board of Governors: Finance, Audit, Personnel, Curriculum, Admissions and Fundraising. The Board has adopted a formal Scheme of Delegation to delegate functions to those Committees, whilst some spending control is devolved to the Headteacher as Accounting Officer and to members of the Senior Leadership Team and Senior Managers. The Chairs of the committees also meet together on a regular basis.

The Senior Management Team consists of the Headteacher, Deputy Headteacher Academic, Deputy Headteacher Pastoral, three Assistant Headteachers for lower school, middle school and sixth form, the Special Educational Needs & Disabilities Co-ordinator and the Finance & Administration Manager. In addition, the Academy has a policy for seconding a middle manager in the School to the Senior Management Team for an academic year.

Arrangements for setting pay and remuneration of key management personnel

The Board of Governors operates a Whole School Pay Policy, as the "Relevant Body" as defined in the School Teachers' Pay and Conditions (STPC) document, following the pay tables determined by the Secretary of State and set out in the STPC. Having determined the policy, the Board delegates the day to day management of the policy to the Headteacher in consultation with the Personnel Committee and the Chair of Governors.

At the start of each academic year, the Board of Governors will set performance objectives for the Headteacher together with performance indicators and measures, reflecting priorities identified in the School's development plan. After an annual review of performance, any changes to the Headteacher's salary will be decided upon by the Personnel Committee.

The Board of Governors, following consideration of the relevant criteria set out in the STPC Document, will determine the individual range for a newly appointed Deputy Headteacher or Assistant Headteacher's salary. At the time of the annual assessment of teachers' salaries, the Headteacher will decide if any Deputy or Assistant Headteacher should be awarded an additional pay point, subject to the maximum of the individual range, and report this to the Personnel Committee.

Trade union facility time

The academy has bought its facilities time from Peterborough City Council for the year as part of the delegation scheme.

Related parties and other connected charities and organisations

Schola Regia Trading Ltd is a wholly-owned subsidiary. The company is dormant.

The Academy has a close working relationship with Peterborough Cathedral.

The Academy collaborates with the St John Fisher Roman Catholic High School by offering some Sixth Form teaching to their students.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

Objects and aims

The Academy is proud of its long-standing history and tradition going back to 1541, whilst embracing everything the modern world has to offer, as it looks towards the future. It values and strives to encourage individual academic success alongside musical, cultural and sporting achievements. The Academy's main aim is to provide the very best all-round educational experience for all youngsters on its roll. The Academy's objectives are specifically related to advancing for the public benefit and education in the United Kingdom, in particular, but without prejudice to, the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with the designated Church of England religious character, offering a broad and balanced curriculum in accordance with the principles, practices and tenets of the Church of England, which includes representing other faiths and in partnership with the Church of England at Parish and Diocesan level.

The School's Values and Ethos are:

- To recognise and value the contribution of every member of the school community;
- To maintain the tradition of achievement and academic excellence to the best of our individual's ability;
- To foster a community in which good mutual communications are promoted and in which, through pastoral care, all students achieve self-esteem and an appreciation of others with a sense of responsibility for their environment;
- To provide a broad range of extra-curricular activities that give opportunities for all to develop individual interests and skills;
- To encourage a happy, well-motivated staff to work effectively and successfully through good leadership, efficient structures and the provision of resources.

The basis for these values is the Christian ethos of the School, which aims to be "A Family Achieving Excellence".

Objectives, strategies and activities

Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

Since the Academy opened in January 2011 it has been full in every year-group, including the 60 pupils in the Junior Department, which opened in September 2011. In the main school Years 7, 9 and 10 have 150 youngsters in each year; Year 8 has 180 in it. The Sixth Form is fully subscribed to its Published Admissions Number of 340. From September 2020 in Year 12, 132 students continued their education from Year 11 (from a year group of 179), and were joined by 61 external students. The latter were selected from over 300 applications received for places for September 2020.

The Academy sets targets for all pupils; these relate to external benchmarking data. The Academy subscribes to national schemes for determining value added at each of the Key Stages. Each member of the teaching staff is observed teaching a minimum of once a term by line managers and the Senior Leadership Team, so that standards across the Academy can be monitored. The Academy has in place a full performance management process.

The academic year has been significantly impacted by managing to operate safely during the COVID pandemic. The School was open for the autumn term, operating in 'bubbles' for each year group so as to significantly reduce any interaction between the groups on school premises. To assist this Year 7 were housed in temporary accommodation units adjacent to our Junior Department. The School was closed from early January until 8 March, and then continued to operate with bubbles until the end of the year. During closure, and when groups of pupils were required to self-isolate from home, a robust on-line provision was put in place. Many pupils already had good home IT provision, but the School received 73 laptops through a DfE scheme that were deployed to those most in need. Despite the best efforts of teachers, some pupils slipped behind with their studies, and the School commissioned external on-line tutor support targeted at those with most difficulty.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key performance indicators

Examination results (based on Teacher Assessed Grades) were again excellent for 2021. The GCSE results were well above national averages with a 100% pass rate, (2020: 100%), 96% of grades were Grade 4 or C and above (2020: 98%) and 60% of grades were Grades 7 to 9 (2020: 54%). Our School's Progress 8 score was not calculated this year or last year due to disruption to learning arising from the COVID virus. In 2019 it was approximately 0.6 which was significantly above national average, and many subject areas also demonstrated progress and attainment significantly above national averages.

The Post 16 results were excellent at A-Level (based on Teacher Assessed Grades), with the A-Level pass rate being 100% (2020: 100%), 50% of grades were A or A* (2020: 49%) and 78% (2020: 76%) were A* to B. In 2021, 9 students were successful in securing places at Oxford and Cambridge Universities, 10 are studying medicine related degrees and of 176 UCAS applications 154 (88%) accepted final places at university. Our School's Level 3 Value added score was not calculated this year or last year due to disruption to learning arising from the COVID virus. In 2019 it was approximately 0.22 which was significantly above national average, and many subject areas also demonstrated progress and attainment significantly above national averages.

In 2013, the Academy was inspected by Ofsted Inspectors. The Academy was judged 'Outstanding' in every category. No Ofsted inspection took place during the year under review.

During January 2018 the Academy maintained its "Outstanding" grade as a result of the Statutory Inspection of Anglican and Methodist Schools (SIAMS), undertaken by The Church of England Education Office and The Methodist Church. The report commented that "The distinctiveness and effectiveness of The King's (The Cathedral) School as a Church of England school are outstanding."

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Academy set an operating budget for 2020-21 academic year showing a significant deficit which was to be funded from the Academy's General Annual Grant restricted reserves, as authorised by the Governors and allowed under the terms of the Academy Funding Agreement. Due to movements in National Funding Formula rates, and increased pupil numbers the previous year, main DfE funding was expected to increase by £410,000. However, the impact of pay increases and other cost increases added £621,000 to expected outgoings.

The actual outturn was a significant improvement on budget due to rigorous cost control and a small increase in income (net of loss of catering income during closure periods). Before adjustments for LGPS liabilities and movements on the Restricted Fixed Asset Fund, the School recorded a surplus of £151,529 (2020: £35,996), £303,452 better than budgeted. Total income and endowments for the year increased by £752,080 (including additional capital grants of £407,205).

General Annual Grant funding rose for first time in seven years to £5,910,222 (2020: £5,394,108), Pupil Premium funding decreased slightly, and Special Educational Needs funding increased by £21,624.

The School was successful in applying for £67,360 of DfE funding for helping manage the costs of the COVID pandemic. As well as additional staff and other resources, the School spent £37,418 on additional tutoring to support pupils falling behind with learning. £34,680 was received to support the staffing costs of mass testing pupils for COVID, £8,073 for the provision of vouchers to pupils eligible for Free School Meals, and £20,661 is being claimed for a summer school run for new pupils joining in Year 7 in September 2021.

Overall there was a net increase in Government funding of £559,447 (8.5%).

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Total expenditure (excluding capital related and depreciation) for the year increased by only £124,048 (1.8%) as tight financial controls were applied.

The premises were adapted to meet COVID-19 requirements, as they changed so frequently, culminating with the installation of mobile classrooms, a toilet block and significant adaptations to Madeley House with Governor approval for spend up to £30,000. Additional costs were met from the maintenance budget as other works were placed on hold.

Total expenditure for COVID related matters on temporary accommodation, staffing and other resources was approximately £76,596.

The resulting net expenditure for 2020-21 increased to £1,058,677, from the prior year total of £726,291. An actuarial loss of £316,000 resulted on the defined benefit Local Government Pension Scheme, following the previous year's loss of £426,000. As stated in note 21 to the financial statements, Parliament agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The Academy has set an operating budget for the 2021-22 academic year showing a small surplus of £30,424 before capital expenditure and LGPS pension adjustments.

Reserves policy

The Academy's reserves policy is designed to ensure the stability of the Academy's operations, to smooth the impact of changes in financial circumstances, such as large unbudgeted expenditure and cyclical maintenance, and to fund working capital requirements. The Governors review the level of Academy reserves annually, identifying the need for access to the funds and confirming that the use is consistent with the purpose of the reserve as contained within the formal Reserves Policy.

As detailed in note 19 to the financial statements, total funds at 31 August 2021 were £15,453,250, a decrease of £1,374,677.

Of these reserves £13,714,725 are restricted and therefore not available for use, other than as allowed by the restriction, or distribution. Of this figure: £16,972,353 represents the current net book value of the Academy's land, buildings, fixtures and fittings; there is a defined benefit pension liability of £3,594,000; the endowment fund of £39,558 represents the market value of donated investments.

The remaining restricted reserves of £248,278 arise from accumulated unspent General Annual Grant received for the education of the children of the Academy, which are being held to smooth out the impact of the changes in financial circumstances. The Governors currently aim to hold at least 2% of GAG as a working reserve and whilst the reserve is in excess of this figure, at present, a small deficit on GAG funds is anticipated in the budget for 2021-22.

Total unrestricted reserves of £1,738,525 consist of designated reserves of £1,696,817 and £41,708 of general funds.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors have authorised refurbishment and extension of the Sports Pavilion and have established a new designated fund of £370,000 to cover the anticipated costs.

A designated asset maintenance and replacement plan is maintained with a view to ensure the balance of the Property Maintenance fund is sufficient for the Academy's needs over the next two years. The balance on this fund has been increased to £465,000 which is deemed sufficient to meet essential expenditure in the foreseeable future, although Conditional Improvement Funding is still believed necessary to allow all planned repairs and improvements, as mentioned below. This fund will be used for significant expected expenditure improvements to Madeley House for music activities, and for replacement of out of date and inefficient boilers.

During the previous year Governors authorised to designate £78,000 towards the repair of the Victorian roofing with the main element of this repair being met by a successful Conditional Improvement Fund bid. This project has been successfully completed at a slightly lower cost than anticipated, drawing £406,389 from the allocated fund.

Other designated funds of £86,430 arise from long term balances generated by student trips, clubs and other curriculum and extra-curriculum activities that will be utilised on similar activities in the future.

General funds of £41,708 have arisen from the Academy's non-core education activities including generating funds and investment income. Governors intend to maintain this reserve in the longer term so that if General Annual Grant reserves are fully utilised over the next few years, the Academy would still have available reserves to support its day to day operations.

Investment policy

Due to the continuance of low interest rates, resulting in an erosion of the real value of the academy's cash reserves, the Governors continually review the academy's investment policy. The Governors' power is governed by the Trustee Act 2000. This confers a general power of investment and requires the Governors to invest in a diversified range of suitable investments.

The objectives of the Governors' policy are:

- To ensure that The King's School has sufficient cash available to meet its commitments;
- To ensure that sufficient funds are available at short or no notice to meet foreseeable requirements and a contingency for emergency needs;
- To optimise the rate of return on other funds without undue risk;
- To protect the capital value of funds held against inflation;
- To spread risk, where appropriate; and
- To comply with Academy Articles of Association.

In determining the level of funds available that could be considered for investment, due regard will be taken of the short, medium and long term requirements of the academy. These are defined as follows:

- Short term – funds likely to be expended within the next 12 months;
- Medium term – funds likely to be expended between 1 to 5 years; and
- Long term – funds unlikely to be required in the next 5 years.

The academy inherited a small number of investments with CCLA and M&G from the predecessor school that are recorded on the balance sheet of the academy. Their future retention or disposal is part of an ongoing review to ensure they are compliant with the current policy.

Current policy is for all other surplus funds to be held as cash deposits.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The Board of Governors has assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy, and its finances. A formal Risk Register is in place. The Board of Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have systems and operational procedures in place e.g. vetting of new staff and internal financial controls in order to minimise risk.

The four most significant areas that have been identified are:

- Accidental failure to comply with Health and Safety legislation resulting in injury and/or attracting adverse publicity (mitigated by staff training, risk assessments, making equipment available and the employment of an external consultant)
- A safeguarding incident (mitigated by staff training, the appointment of Safeguarding officers, and the school culture)
- Possible incident on a school trip (mitigated by risk assessments, staff training, insurance cover, school behaviour policy, employment of an external adviser, and the work of the Educational Visits Co-ordinator).
- Additional costs, potentially unrecoverable, for safe operation during the Covid-19 'flu' pandemic.

Uncertainty over the future of school funding is also a major cause for concern given the recent introduction of the National Funding Formula and the current political climate.

Fundraising

The Academy has a Development Committee which was set up in January 2017 consisting of up to five Governors and a number of experienced executives in the field of fundraising from the local business community. The Committee Chairman is the Chair of Governors and other members include the Headteacher. The Committee operates as a subcommittee of, and reports to, the main Governing body. Due to the pandemic and the resulting economic climate, this committee has not met during 2020-21.

The purpose of the Committee is to approach the following groups:

- Parents of current students of the Academy;
- Past students of the Academy who may or may not be members of the Old Petriburgians' Association;
- Kings' Friends, formerly the Parent and Staff Association of the Academy;
- Local businesses with connections to the Academy;
- Grant making bodies.

During the year ended 31 August 2021:

- Regular donations, most gift aided, to the value of £42,018 have been received from parents of current and past students of the Academy;
- Gift aid claims for the years 2017-18 and 2018-19 resulted in receipts of £24,814 and
- One off donations and donations for prize funds, some gift aided, amounted to £7,152.

The Committee is also tasked with looking at ways local businesses with Academy connections may be able to help the work of the Academy by offering financial support, corporate sponsorship or work placements for students.

To date, the Committee has been tasked with building up a database of contacts from the above groups whose data is already held by the Academy and contacting them to ensure their agreement to being contacted for this purpose. The Academy does not work with Commercial Participators or Professional Fundraisers and has no plans to contact the general public who do not have any connection with the Academy.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

- To protect the quality of education in terms of a broad and balanced curriculum and the broad and exciting extra-curricular offering that the academy has been able to offer in the past, at a time of falling income per head in real terms and rising costs.
- To further redefine our educational priorities in terms of the range of courses the academy should or can offer at GCSE, AS and A-levels, in the light of latest legislation and the academy's reducing funding.
- To maximise existing and create new income streams, through the work of the Development Committee.
- To continue to apply for Condition Improvement Funding for projects to improve the academy's facilities, particularly with regard to catering facilities and the fabric of the buildings.
- To maximise the contribution that IT can make to Teaching and Learning by continually updating the academy's IT infrastructure and deriving maximum benefit from the use of mobile devices (BYOD).
- To close the gap for vulnerable learners.
- To find strategies to improve on an outstanding school.

Auditor

In so far as the Governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 18 Nov 2021 and signed on its behalf by:



Mr Kevin Palmer
Chair of Governors

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that The King's (The Cathedral) School, Peterborough 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 Governors has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The King's (The Cathedral) School, Peterborough and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 6 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
Mrs Sharon Abbott (Resigned 31 August 2021)	4	6
Mr James Adkins (Resigned 4 September 2021)	5	6
Mrs Tina Allen	6	6
Mr H R Quentin Arnold (Responsible Officer)	4	6
Mr Darren Ayling (Accounting Officer)	6	6
Mr Martin Bloom	6	6
Mr Andrew Boulton	5	6
Mrs Susan Burgess	5	6
Miss Tansy Castledine	1	6
Mr Stephen Crane (Chair of Finance)	6	6
The Very Reverend Christopher Dalliston	6	6
Miss Elizabeth Dunmore	6	6
Reverend Mandy Flaherty (Resigned 17 May 2021)	4	4
Mr Timothy Hitch	6	6
Mrs Barbara John (Resigned 3 October 2021)	5	6
Mrs Susan Lowe-Lauri	6	6
Mr Kevin Palmer (Chair of Governors)	6	6
Mrs J Lynne Thurlow	5	6
Mr Christopher Trotman	5	6
Reverend Canon Dr Rowan Williams (Appointed 17 September 2020)	4	5

The finance committee is a sub-committee of the main Board of Governors. Its purpose is to advise the Board of Governors on all matters regarding finance and property.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr H R Quentin Arnold (Responsible Officer)	7	7
Mr Darren Ayling (Accounting Officer)	7	7
Mr Stephen Crane (Chair of Finance)	7	7
Mr Timothy Hitch	7	7
Mr Kevin Palmer (Chair of Governors)	7	7
Mr Christopher Trotman	7	7

Review of value for money

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

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

- The Academy has continued to set challenging targets for all curriculum areas and individual students, using National benchmarks and data as a guide. A comprehensive tracking process is in place to monitor the students' progress.
- We have improved our Pupil Premium provision by moving from 1:1 support to targeted mentor intervention. This is overseen by the Deputy Headteacher (Pastoral) to monitor and evaluate outcomes against investment.
- The Learning Commission was further developed, providing a comprehensive programme involving staff and students who have researched new initiatives in teaching and learning, and developed a mentoring programme which was presented to the local Headteachers' conference.
- The Board of Governors set a budget within its means, with expenditure within Government funding and other income available for the financial year.
- The Board of Governors Finance Committee has received monthly budget and cash reports. Investments have been reviewed on a regular basis.
- Staffing levels were adjusted, as every year, to meet the needs of the curriculum for the current financial/academic year.
- The Academy has appointed a Responsible Officer, internal auditors were appointed to undertake a series of additional checks across a range of financial accounting procedures to support the role of the Responsible Officer. The findings from this work were reported via the Responsible Officer to the Board of Governors' Audit Committee and no major issues were required to be highlighted from this work.
- External auditors have recorded an unqualified audit opinion within these financial statements.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

- The Academy endeavours to achieve value for money when purchasing equipment and services. It employs independent procurement services for items such as cleaning and fuel, and uses the Local Authority as broker for insurance.
- Tenders and estimates are sought for all purchases as follows:

Orders between £2,001 and £10,000.

- At least two written estimates or price-lists are obtained for all orders, to identify the best source of the goods/services.

Orders between £10,001 and £25,000

- At least three written estimates are obtained for all orders, to identify the best source of the goods/services.

Orders between £25,001 and the Public Contracts Regulations (PCR) Threshold

- At least three written quotations (preferably fixed price) are obtained using the open or Restricted Tender (or Negotiated Tender, where appropriate), process.

Orders over the Public Contracts Regulations (PCR) Threshold

Purchases over £189,330 (the threshold from January 2021, previously £181,302) fall under PCR procurement rules, which require advertising in Contracts Finder.

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The King's (The Cathedral) School, Peterborough for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Board of Governors has decided:

- to employ TIAA Ltd as internal auditor

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

- Review of core processes for payroll, purchase to pay and sundry income streams.

The auditor reports to the Board of Governors through the Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Governors, and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The schedule of work was delivered as planned, and considered in the June Audit Committee meeting. No material control issues arose as a result of the work.

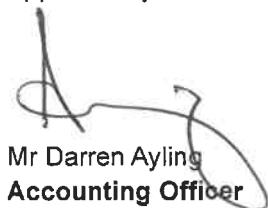
Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the internal auditor.

Approved by order of the Board of Governors on 18 Nov 2021 and signed on its behalf by:



Mr Darren Ayling
Accounting Officer



Mr Kevin Palmer
Chair of Governors

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

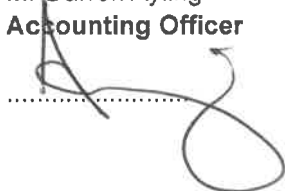
FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of The King's (The Cathedral) School, Peterborough, I have considered my responsibility to notify the academy trust Board of Governors 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

Mr Darren Ayling
Accounting Officer

A handwritten signature in black ink, consisting of a stylized 'D' and 'A' followed by a long horizontal stroke and a loop at the end. The signature is written over a dotted line.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors (who act as trustees for The King's (The Cathedral) School, Peterborough and are also the directors of The King's (The Cathedral) School, Peterborough for the purposes of company law) are responsible for preparing the Governors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 Governors to prepare accounts for each financial year. Under company law, the Governors must not approve the accounts 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 accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 accounts 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 Governors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on 18 Nov 2021 and signed on its behalf by:



Mr Kevin Palmer
Chair of Governors

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions 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 Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust, its subsidiary and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated strategic report.

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

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

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

3.12.2021

**Chartered Accountants
Statutory Auditor**

Ruthlyn House
90 Lincoln Road
Peterborough
United Kingdom
PE1 2SP

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 2 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The King's (The Cathedral) School, Peterborough during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The King's (The Cathedral) School, Peterborough's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The King's (The Cathedral) School, Peterborough's funding agreement with the Secretary of State for Education dated 30 December 2010 (as amended by the deed of variation dated 15 January 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 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of Governors' meetings.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

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



Reporting Accountant

Azets Audit Services

Ruthlyn House

90 Lincoln Road

Peterborough

PE1 2SP

United Kingdom

Dated: **3.12.2021**

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £	Endowment Fixed asset £	funds £	Total 2021 £	Total 2020 £
Income and endowments from:							
Donations and capital grants	3	64,126	3,352	458,155	-	525,633	122,961
Charitable activities:							
- Funding for educational operations	4	330,341	6,710,917	-	-	7,041,258	6,671,709
Other trading activities	5	246	4,510	-	-	4,756	8,419
Investments	6	14,415	1,043	-	-	15,458	31,936
Total		409,128	6,719,822	458,155	-	7,587,105	6,835,025
Expenditure on:							
Raising funds	7	-	-	-	-	-	1,385
Charitable activities:							
- Educational operations	8	420,244	6,993,604	1,274,431	-	8,688,279	7,555,019
Total	7	420,244	6,993,604	1,274,431	-	8,688,279	7,556,404
Gains on endowment investments		24,357	-	-	18,140	42,497	(4,912)
Net income/ (expenditure)		13,241	(273,782)	(816,276)	18,140	(1,058,677)	(726,291)
Transfers between funds	19	(64,268)	-	64,268	-	-	-
Other recognised gains/ (losses)							
Actuarial losses on defined benefit pension schemes	21	-	(316,000)	-	-	(316,000)	(426,000)
Net movement in funds		(51,027)	(589,782)	(752,008)	18,140	(1,374,677)	(1,152,291)
Reconciliation of funds							
Total funds brought forward		1,789,552	(2,707,404)	17,724,361	21,418	16,827,927	17,980,218
Total funds carried forward		1,738,525	(3,297,186)	16,972,353	39,558	15,453,250	16,827,927

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information		Unrestricted	Restricted funds: Endowment			Total
Year ended 31 August 2020		funds	General	Fixed asset	funds	2020
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	97,541	-	25,420	-	122,961
Charitable activities:						
- Funding for educational operations	4	459,196	6,212,513	-	-	6,671,709
Other trading activities	5	8,419	-	-	-	8,419
Investments	6	31,714	222	-	-	31,936
Total		596,870	6,212,735	25,420	-	6,835,025
Expenditure on:						
Raising funds	7	1,385	-	-	-	1,385
Charitable activities:						
- Educational operations	8	458,604	6,755,620	340,795	-	7,555,019
Total	7	459,989	6,755,620	340,795	-	7,556,404
Gains on endowment investments		(4,912)	-	-	-	(4,912)
Net income/(expenditure)		131,969	(542,885)	(315,375)	-	(726,291)
Transfers between funds	19	-	(5,900)	5,900	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	21	-	(426,000)	-	-	(426,000)
Net movement in funds		131,969	(974,785)	(309,475)	-	(1,152,291)
Reconciliation of funds						
Total funds brought forward		1,657,583	(1,732,619)	18,033,836	21,418	17,980,218
Total funds carried forward		1,789,552	(2,707,404)	17,724,361	21,418	16,827,927

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	16,969,695		17,724,361	
Investments	14	263,015		220,517	
			17,232,710		17,944,878
Current assets					
Debtors	16	184,529		257,267	
Cash at bank and in hand		2,100,140		1,877,417	
			2,284,669		2,134,684
Current liabilities					
Creditors: amounts falling due within one year	17	(470,129)		(368,635)	
Net current assets			1,814,540		1,766,049
Net assets excluding pension liability			19,047,250		19,710,927
Defined benefit pension scheme liability	21	(3,594,000)		(2,883,000)	
Total net assets			15,453,250		16,827,927
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds		16,972,353		17,724,361	
- Restricted income funds		296,814		175,596	
- Pension reserve		(3,594,000)		(2,883,000)	
- Endowment funds		39,558		21,418	
Total restricted funds			13,714,725		15,038,375
Unrestricted income funds	19		1,738,525		1,789,552
Total funds			15,453,250		16,827,927

The accounts on pages 23 to 50 were approved by the Governors and authorised for issue on 18 Nov 2021 and are signed on their behalf by:



Mr Kevin Palmer
Chair of Governors

Company Number 07464058

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

BALANCE SHEET ACADEMY ONLY

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	16,969,695		17,724,361	
Investments	14	263,017		220,519	
		<u>17,232,712</u>		<u>17,944,880</u>	
Current assets					
Debtors	16	184,529		257,267	
Cash at bank and in hand		2,100,140		1,877,417	
		<u>2,284,669</u>		<u>2,134,684</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(470,131)		(368,637)	
Net current assets		<u>1,814,538</u>		<u>1,766,047</u>	
Net assets excluding pension liability		<u>19,047,250</u>		<u>19,710,927</u>	
Defined benefit pension liability	21	(3,594,000)		(2,883,000)	
Net assets		<u>15,453,250</u>		<u>16,827,927</u>	
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds		16,972,353		17,724,361	
- General funds		296,814		175,596	
- Pension reserve		(3,594,000)		(2,883,000)	
- Endowment funds		39,558		21,418	
Total restricted funds		<u>13,714,725</u>		<u>15,038,375</u>	
Unrestricted income funds	19	<u>1,738,525</u>		<u>1,789,552</u>	
Total funds		<u>15,453,250</u>		<u>16,827,927</u>	

The accounts were approved by order of the Board of Governors and authorised for issue on 18 Nov 2021



Mr Kevin Palmer
Chair of Governors

Company Number 07464058

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash used in operating activities	23		(250,890)		(302,046)
Cash flows from investing activities					
Dividends, interest and rents from investments		15,458		31,936	
Capital grants from DfE Group		432,625		25,420	
Purchase of tangible fixed assets		25,530		(5,900)	
Net cash provided by investing activities			473,613		51,456
Net increase/(decrease) in cash and cash equivalents in the reporting period			222,723		(250,590)
Cash and cash equivalents at beginning of the year			1,877,417		2,128,007
Cash and cash equivalents at end of the year			2,100,140		1,877,417

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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

The financial accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

1.2 Going concern

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

The trustees have taken consideration of the effects of COVID-19 in making their assessment.

1.3 Basis of consolidation

The group financial statements consolidate those of the academy and of its subsidiary undertaking Schola Regia Trading Limited drawn up to 31 August 2021. Surpluses or deficits on intra group transactions are eliminated in full.

1.4 Income

All incoming resources are recognised when the academy trust 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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the 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 receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, Governors' meetings and reimbursed expenses.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Buildings	Over estimated useful life
Fixtures, fittings & equipment	33% / 20% straight line
Motor vehicles	33% straight line

The depreciation policy in place for the buildings has been reviewed during the year with their now being component accounting in place. The useful life for each area of the building has been assessed and the depreciation charge has been adjusted to reflect this change in estimate.

Property introduced into the Academy Trust from the previous Voluntary Aided school has been transferred in at insurance value.

Furniture and equipment transferred into the Academy Trust from the previous Voluntary Aided school has been introduced into these accounts at a value equivalent to its estimated depreciated cost.

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.

1.7 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 trust 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.

1.8 Leased assets

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

1.9 Investments

Fixed asset investments are stated at market value.

1.10 Financial instruments

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

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

1.11 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.12 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust 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 based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure 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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.13 Fund accounting

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

Designated funds are where the Governors have ring fenced unrestricted income for specific projects.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Academy Trust.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donated fixed assets	-	25,530	25,530	-
Capital grants	-	432,625	432,625	25,420
Other donations	64,126	3,352	67,478	97,541
	<u>64,126</u>	<u>461,507</u>	<u>525,633</u>	<u>122,961</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,910,222	5,910,222	5,394,108
Other DfE / ESFA grants:				
Pupil premium	-	140,815	140,815	142,104
Teachers pension grants	-	234,579	234,579	228,843
Teachers pay grants	-	83,015	83,015	80,986
PE and sports premium	-	7,277	7,277	16,600
Others	-	62,412	62,412	46,904
	-	6,438,320	6,438,320	5,909,545
Other government grants				
Local authority grants	-	146,981	146,981	203,425
Exceptional government funding				
Coronavirus job retention scheme grant	15,716	-	15,716	-
Coronavirus exceptional support	-	-	-	31,929
Other Coronavirus funding	-	102,040	102,040	-
	15,716	102,040	117,756	31,929
Other incoming resources	314,625	23,576	338,201	526,810
Total funding	330,341	6,710,917	7,041,258	6,671,709

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	246	-	246	4,210
Other income	-	4,510	4,510	4,209
	246	4,510	4,756	8,419

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	7,625	28	7,653	24,841
Other investment income	6,790	1,015	7,805	7,095
	<u>14,415</u>	<u>1,043</u>	<u>15,458</u>	<u>31,936</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Expenditure on raising funds					
- Direct costs	-	-	-	-	1,385
Academy's educational operations					
- Direct costs	4,799,976	-	457,186	5,257,162	5,234,522
- Allocated support costs	1,235,015	1,661,591	534,511	3,431,117	2,320,497
	<u>6,034,991</u>	<u>1,661,591</u>	<u>991,697</u>	<u>8,688,279</u>	<u>7,556,404</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	12,225	12,000
- Other services	1,100	1,835
Operating lease rentals	22,261	22,261
Depreciation of tangible fixed assets	754,666	300,287
Net interest on defined benefit pension liability	52,000	41,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	12,332	5,244,830	5,257,162	5,234,522
Support costs				
Educational operations	407,912	3,023,205	3,431,117	2,320,497
	<u>420,244</u>	<u>8,268,035</u>	<u>8,688,279</u>	<u>7,555,019</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8	Charitable activities	(Continued)	
	Analysis of costs	2021	2020
		£	£
	Direct costs		
	Teaching and educational support staff costs	4,799,976	4,663,362
	Staff development	16,687	29,824
	Technology costs	71,752	57,866
	Educational supplies and services	265,548	168,570
	Examination fees	89,368	111,628
	Other direct costs	13,831	203,272
		5,257,162	5,234,522
	Support costs		
	Support staff costs	1,235,015	1,114,779
	Depreciation	754,666	300,287
	Recruitment and support	23,901	4,186
	Maintenance of premises and equipment	653,709	159,843
	Rent, rates and other occupancy costs	253,216	265,519
	Security and transport	17,176	18,760
	Catering	214,810	163,366
	Finance costs	52,000	41,000
	Legal costs	11,571	16,840
	Other support costs	201,728	222,082
	Governance costs	13,325	13,835
		3,431,117	2,320,497
9	Governance costs		
		Total	Total
	All from restricted funds:	2021	2020
		£	£
	Amounts included in support costs		
	Legal costs	11,571	16,840
	Auditor's remuneration		
	- Audit of financial statements	12,225	12,000
	- Other audit costs	1,100	1,835
		24,896	30,675

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	4,314,665	4,145,506
Social security costs	408,404	394,347
Pension costs	1,294,505	1,200,844
Staff costs - employees	6,017,574	5,740,697
Agency staff costs	17,417	37,444
	6,034,991	5,778,141
Staff development and other staff costs	16,687	29,824
Total staff expenditure	6,051,678	5,807,965

Staff numbers

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

	2021 Number	2020 Number
Teachers	73	73
Administration and support	72	74
Management	2	2
	147	149

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	2	-
£70,001 - £80,000	2	2
£110,001 - £120,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the Governors 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 trust was £788,427 (2020: £706,342).

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors.

The value of Governors' remuneration and other benefits was as follows:

Mr D Ayling (headteacher and governor)

Remuneration £115,000 - £120,000 (2020: £110,000 - £115,000)

Employer's pension contributions £25,000 - £30,000 (2020: £25,000 - £30,000)

Mrs J L Thurlow (staff governor)

Remuneration £15,000 - £20,000 (2020: £10,000 - £15,000)

Employer's pension contributions £0 - £5,000 (2020: £0 - £5,000)

Miss E Dunmore (staff governor)

Remuneration £50,000 - £55,000 (2020: £45,000 - £50,000)

Employer's pension contributions £10,000 - £15,000 (2020: £10,000 - £15,000)

During the year ended 31 August 2021, travel and subsistence expenses totalling £nil (2020: £80) were reimbursed to Governors (2020 - 1) in respect of their staff responsibilities.

Governors did not receive any remuneration or expenses in respect of their role as Governor.

In addition to the above the school employed 2 members of staff (2020: 2) during the year who are related to the Governors. The total remuneration paid was £97,269 (2020: £86,082).

12 Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £685 (2020: £685). The cost of this insurance is included in the total insurance cost.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

Group and Charity

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2020	20,340,098	585,330	5,900	20,931,328
Disposals	-	(55,882)	-	(55,882)
At 31 August 2021	20,340,098	529,448	5,900	20,875,446
Depreciation				
At 1 September 2020	2,648,161	558,806	-	3,206,967
On disposals	-	(55,882)	-	(55,882)
Charge for the year	734,914	17,785	1,967	754,666
At 31 August 2021	3,383,075	520,709	1,967	3,905,751
Net book value				
At 31 August 2021	16,957,023	8,739	3,933	16,969,695
At 31 August 2020	17,691,937	26,524	5,900	17,724,361

The Academy owns the freehold of the property noted above. The property introduced into the Academy Trust from the previous Voluntary Aided School has been transferred in at insurance value, and retained at that value.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Fixed asset investments Group

	Listed investments	Investment in subsidiary undertaking	Total
	£	£	£
Market value			
At 1 September 2020	220,517	-	220,517
Change in value in the year	42,498	-	42,498
	<u>263,015</u>	<u>-</u>	<u>263,015</u>
At 31 August 2021	<u>263,015</u>	<u>-</u>	<u>263,015</u>

Charity	Listed investments	Investment in subsidiary undertaking	Total
	£	£	£
Market value			
At 1 September 2020	220,517	2	220,519
Change in value in the year	42,498	-	42,498
	<u>263,015</u>	<u>2</u>	<u>263,017</u>
At 31 August 2021	<u>263,015</u>	<u>2</u>	<u>263,017</u>

All investments held were donated to the Academy.

Schola Regia Trading Limited is a wholly owned subsidiary of The King's (The Cathedral) School, Peterborough, and is incorporated in England and Wales. Schola Regia Trading Limited was the school shop which sold uniform and stationery to pupils of the Academy. The shop was closed during the previous year and was outsourced to another provider, and the subsidiary is now dormant. The Charity owns the entire issued share capital of 2 ordinary shares at £1 each.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Financial instruments

	2021 £ Group	2021 £ Charity	2020 £ Group	2020 £ Charity
Carrying amount of financial assets				
Trade debtors	248	248	37,043	37,043
Bank and cash	2,100,140	2,100,140	1,877,417	1,877,417
VAT recoverable	10,137	10,137	29,401	29,401
	<u>2,110,525</u>	<u>2,110,525</u>	<u>1,943,861</u>	<u>1,943,861</u>
Carrying amount of financial liabilities				
Trade payables	170,106	170,106	65,740	65,740
Other taxes and social security	103,151	103,151	94,795	94,795
Other creditors	21,140	21,140	106,186	106,186
Accruals	38,945	37,945	44,061	43,061
	<u>333,342</u>	<u>332,342</u>	<u>310,782</u>	<u>309,782</u>

16 Debtors

	2021 £ Group	2021 £ Charity	2020 £ Group	2020 £ Charity
Trade debtors	248	248	37,043	37,043
VAT recoverable	10,137	10,137	29,401	29,401
Other debtors	9,673	9,673	-	-
Prepayments and accrued income	164,471	164,471	190,823	190,823
	<u>184,529</u>	<u>184,529</u>	<u>257,267</u>	<u>257,267</u>

17 Creditors: amounts falling due within one year

	2021 £ Group	2021 £ Charity	2020 £ Group	2020 £ Charity
Trade creditors	170,106	170,106	65,740	65,740
Taxes and social security costs	103,151	103,151	94,795	94,795
Other creditors	21,140	22,142	106,186	107,188
Accruals	38,945	37,945	44,061	43,061
Deferred income	136,787	136,787	57,853	57,853
	<u>470,129</u>	<u>470,131</u>	<u>368,635</u>	<u>368,637</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	136,787	57,853
	<u> </u>	<u> </u>
Deferred income at 1 September 2020	57,853	134,376
Released from previous years	(57,853)	(134,376)
Resources deferred in the year	136,787	57,853
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	136,787	57,853

Deferred income relates to trip and grant income which was received in advance.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	125,699	5,910,222	(5,787,643)	-	248,278
Pupil premium	-	140,815	(140,815)	-	-
Teachers pension grants	-	234,579	(234,579)	-	-
Teachers pay grants	-	83,015	(83,015)	-	-
PE and sports premium	-	7,277	(7,277)	-	-
Other DfE / ESFA grants	-	62,412	(62,412)	-	-
Other government grants	-	249,021	(249,021)	-	-
Other restricted funds	49,897	32,481	(33,842)	-	48,536
Pension reserve	(2,883,000)	-	(395,000)	(316,000)	(3,594,000)
	(2,707,404)	6,719,822	(6,993,604)	(316,000)	(3,297,186)
Restricted fixed asset funds					
DfE group capital grants	17,724,361	432,625	(1,248,901)	64,268	16,972,353
Laptops donated by DfE	-	25,530	(25,530)	-	-
	17,724,361	458,155	(1,274,431)	64,268	16,972,353
Restricted endowment fund	21,418	-	-	18,140	39,558
Total restricted funds	15,038,375	7,177,977	(8,268,035)	(233,592)	13,714,725
Unrestricted funds					
General funds	513,653	409,128	(370,811)	(510,262)	41,708
Capital development fund	775,387	-	-	-	775,387
Property maintenance fund	340,479	-	(41,427)	165,948	465,000
Roofing works	68,802	-	-	(68,802)	-
Pavilion refurbishment	-	-	-	370,000	370,000
Other designated	91,231	-	(8,006)	3,205	86,430
	1,789,552	409,128	(420,244)	(39,911)	1,738,525
Total funds	16,827,927	7,587,105	(8,688,279)	(273,503)	15,453,250

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

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

The transfers represent expenditure out of the specific capital funds on relevant expenditure.

The restricted grant income in the year all relates to the provision of education for the children of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021. Other restricted funds relate to the prize funds which represents donations to fund annual prizes presented to pupils.

The property maintenance fund will be used to fund major maintenance projects that cannot be funded out of general income.

The capital development fund has been set aside to fund major capital improvements to the school's premises.

Other designated funds represent other general donations and long term balances within the trips, clubs and activities of the school.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	336,507	5,394,108	(5,599,016)	(5,900)	125,699
Pupil premium	-	142,104	(142,104)	-	-
Other DfE / ESFA grants	-	515,437	(515,437)	-	-
Other government grants	-	235,354	(235,354)	-	-
Other restricted funds	50,874	67,836	(68,813)	-	49,897
Pension reserve	(2,120,000)	-	(337,000)	(426,000)	(2,883,000)
	<u>(1,732,619)</u>	<u>6,354,839</u>	<u>(6,897,724)</u>	<u>(431,900)</u>	<u>(2,707,404)</u>
Restricted fixed asset funds					
DfE group capital grants	18,033,836	25,420	(340,795)	5,900	17,724,361
	<u>18,033,836</u>	<u>25,420</u>	<u>(340,795)</u>	<u>5,900</u>	<u>17,724,361</u>
Restricted endowment fund	21,418	-	-	-	21,418
	<u>21,418</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,418</u>
Total restricted funds	<u>16,322,635</u>	<u>6,380,259</u>	<u>(7,238,519)</u>	<u>(426,000)</u>	<u>15,038,375</u>
Unrestricted funds					
General funds	401,149	278,933	(247,333)	80,904	513,653
Capital development fund	751,310	47,642	-	(23,565)	775,387
Property maintenance fund	402,557	-	-	(62,078)	340,479
Roofing works	-	-	(9,198)	78,000	68,802
Other designated	80,348	270,295	(202,073)	(57,339)	91,231
	<u>1,635,364</u>	<u>596,870</u>	<u>(458,604)</u>	<u>15,922</u>	<u>1,789,552</u>
Schola Regia Trading Limited	22,219	-	(1,385)	(20,834)	-
	<u>22,219</u>	<u>-</u>	<u>(1,385)</u>	<u>(20,834)</u>	<u>-</u>
Group total	<u>1,657,583</u>	<u>596,870</u>	<u>(459,989)</u>	<u>(4,912)</u>	<u>1,789,552</u>
Total funds	<u>17,980,218</u>	<u>6,977,129</u>	<u>(7,698,508)</u>	<u>(430,912)</u>	<u>16,827,927</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	-	16,969,695	-	16,969,695
Fixed asset investments	223,457	-	-	39,558	263,015
Current assets	1,566,608	715,403	2,658	-	2,284,669
Creditors falling due within one year	(51,540)	(418,589)	-	-	(470,129)
Defined benefit pension liability	-	(3,594,000)	-	-	(3,594,000)
Total net assets	1,738,525	(3,297,186)	16,972,353	39,558	15,453,250

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	-	-	17,724,361	-	17,724,361
Fixed asset investments	199,099	-	-	21,418	220,517
Current assets	1,646,036	488,648	-	-	2,134,684
Creditors falling due within one year	(55,583)	(313,052)	-	-	(368,635)
Defined benefit pension liability	-	(2,883,000)	-	-	(2,883,000)
Total net assets	1,789,552	(2,707,404)	17,724,361	21,418	16,827,927

21 Pension and similar obligations

The academy trust'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 Cambridgeshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £nil were payable to the schemes at 31 August 2021 (2020: £104,301) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

(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% employer administration charge)
- 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. The 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 the TPS in the period amounted to £718,989 (2020: £689,509).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust 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 contributions are as noted below. The agreed contribution rates for future years are 18.9% for employers and 5.5 to 6.8% 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.

Total contributions made	2021 £	2020 £
Employer's contributions	228,000	214,000
Employees' contributions	72,000	65,000
Total contributions	300,000	279,000

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.4	2.8
Rate of increase for pensions in payment/inflation	2.9	2.3
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	22.2	22.0
- Females	24.4	24.0
Retiring in 20 years		
- Males	23.2	22.7
- Females	26.2	25.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021 £	2020 £
0.5% decrease in Real Discount Rate	1,075,000	890,000
0.5% decrease in Salary Increase Rate	100,000	88,000
0.5% decrease in Pension Increase Rate	960,000	786,000

Defined benefit pension scheme net liability

	2021 £	2020 £
Scheme assets	6,423,000	5,143,000
Scheme obligations	(10,017,000)	(8,026,000)
Net liability	(3,594,000)	(2,883,000)

The academy trust's share of the assets in the scheme

	2021 Fair value £	2020 Fair value £
Equities	4,303,410	3,600,100
Bonds	1,091,910	565,730
Property	899,220	771,450
Other assets	128,460	205,720
Total market value of assets	6,423,000	5,143,000

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

(Continued)

The actual return on scheme assets was £1,049,000 (2020: £(235,000)).

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	571,000	510,000
Interest income	(89,000)	(95,000)
Interest cost	141,000	136,000
Total operating charge	623,000	551,000

Changes in the present value of defined benefit obligations	2021 £	2020 £
At 1 September 2020	8,026,000	7,293,000
Current service cost	571,000	510,000
Interest cost	141,000	136,000
Employee contributions	72,000	65,000
Actuarial loss	1,276,000	96,000
Benefits paid	(69,000)	(74,000)
At 31 August 2021	10,017,000	8,026,000

Changes in the fair value of the academy trust's share of scheme assets	2021 £	2020 £
At 1 September 2020	5,143,000	5,173,000
Interest income	89,000	95,000
Actuarial (gain)/loss	960,000	(330,000)
Employer contributions	228,000	214,000
Employee contributions	72,000	65,000
Benefits paid	(69,000)	(74,000)
At 31 August 2021	6,423,000	5,143,000

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Long-term commitments, including operating leases

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

	2021 £	2020 £
Amounts due within one year	22,621	22,621
Amounts due in two and five years	664	10,679
	<u>23,285</u>	<u>33,300</u>

23 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(1,101,174)	(721,379)
Adjusted for:		
Capital grants from DfE and other capital income	(458,155)	(25,420)
Investment income receivable	(15,458)	(31,936)
Defined benefit pension costs less contributions payable	343,000	296,000
Defined benefit pension scheme finance cost	52,000	41,000
Depreciation of tangible fixed assets	754,666	300,287
Decrease/(increase) in debtors	72,737	(137,649)
Increase/(decrease) in creditors	101,494	(22,949)
Net cash used in operating activities	<u>(250,890)</u>	<u>(302,046)</u>

24 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	<u>1,877,417</u>	<u>222,723</u>	<u>2,100,140</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year the Academy received £3,000 (2020 - £34,791) and were charged expenses of £nil (2020: £870) from The Chapter of Peterborough Cathedral. As referred to in the Governors' Report, nine of the Governors are appointed by The Dean and Chapter of Peterborough Cathedral and one by the Diocese of Peterborough. There was no amount outstanding at the year end.

Some of the Governors have children who are pupils at the Academy, consequently there will be transactions between those Governors and the Academy in respect of their children's education. These are on the same basis as other pupils at the Academy.

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.