

Company registration number 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 2022**

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 (Resigned 31 August 2022)
Mr Martin Bloom
Mr Andrew Boulton
Mr Stephen Crane
The Very Reverend Christopher Dalliston
Mr Kevin Palmer
Mr Christopher Trotman
Mr John Harrison (Appointed 31 August 2022)

Governors

Mr James Adkins (Resigned 4 September 2021)
Dr Majid Akram (Appointed 18 November 2021)
Mrs Tina Allen
Mrs Helen Anderson (Appointed 18 November 2021)
Mr H R Quentin Arnold (Responsible Officer)
Mr Darren Ayling (Resigned 31 August 2022)
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 (Resigned 18 November 2021)
Mr John Harrison (Accounting Officer) (Appointed 1 September 2022)
Mr Timothy Hitch
Mrs Barbara John (Resigned 3 September 2021)
Mrs Susan Lowe-Lauri
Mr Kevin Palmer (Chair of Governors)
Mrs Sharon Stimson (Appointed 11 January 2022)
Mrs J Lynne Thurlow
Mr Christopher Trotman
Reverend Canon Dr Rowan Williams

Senior management team

- Headteacher (from September 2022)	Mr John Harrison
- Headteacher (until August 2022)	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 Education Needs & Disabilities Co-ordinator	Mrs Julia Hartley
- Chief Financial Officer (from June 2022)	Mr Peter Edgley
- Finance & Administration Manager (until March 2022)	Mr Richard Allinson
- Accounting officer (from September 2022)	Mr John Harrison
- Accounting officer (until August 2022)	Mr Darren Ayling

Company secretary

Mr Peter Edgley

Company registration number

07464058 (England and Wales)

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

REFERENCE AND ADMINISTRATIVE DETAILS

Principal and registered office	Park Road Peterborough PE1 2UE United Kingdom
Independent auditor	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough PE1 2SP United Kingdom
Bankers	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 2022

The Governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic 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 1,220 (2021: 1,230) in the school census as at October 2021.

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.

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 Chief Financial Officer. In addition, the Academy has a policy for seconding a middle manager in the School to the Senior Management Team for an academic year.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 supports working with unions to provide a supportive work environment.

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.

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

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 2022 in Year 12, 113 students continued their education from Year 11, and were joined by 71 external students. The latter were selected from over 229 applications received for places for September 2022.

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 continued to be impacted the COVID pandemic. Absence rates due to students isolating, at times for up to 10 days, meant that teachers needed to provide work for students in-class and for those working remotely. Although our absence rates were much lower than the national average, and teachers made every effort to ensure students' curriculum provision was maintained, the combined impact of reduced of time in school and the school closures in the previous 2 academic years, put strain on some students' academic progress. However, the School took full advantage of the Covid Catch Up Premium funds, along with School Led Tutoring initiatives, and ensured that students who had fallen behind were identified and given tutoring or mentoring to bring them back in line with their targets and their peers. Enhanced mental health support has also been put in place to help those students who have found their resilience affected by the Covid pandemic. End of year internal assessments and public exam results indicated that this programme was successful.

Key performance indicators

Examination results were again excellent for 2022. These were the first formal public examinations since 2019. The GCSE results were well above national averages with a 100% pass rate, (2019: 100%), 97% of grades were Grade 4 or C and above (2019: 92%) and 55% of grades were Grades 7 to 9 (2019: 44%). Our School's Progress 8 score has been calculated as approximately +0.8. In 2019 it was approximately 0.7 which was significantly above national average, and many subject areas also demonstrated progress and attainment significantly above national averages; 11 showed positive progress figures of more than one grade.

The Post 16 results were excellent at A-Level, again being the first examinations sat since 2019. The A-Level pass rate being 99% (2019: 99%), 52% of grades were A or A* (2019: 41%) and 78% (2019: 72%) were A* to B. 10 students were successful in securing places at Oxford and Cambridge Universities, 18 are studying medicine related degrees and of 189 UCAS applications 176 (93%) 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 examinations in 2020. 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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The Academy set an operating budget for the 2021-22 academic year with a small surplus of £32,000.

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2022 were £6,626,760 (£6,438,320). The Trust also receives a significant amount of funding from SEN funding from local authorities to the value of £204,769, this was a significant increase on the prior years £124,158. The trusts total revenue income was £7,808,146 (£7,128,950). This was used to fund revenue expenditure of £7,958,118, leaving an in year deficit of £149,972.

The expenditure supported the education of the schools 1,220 pupils.

Work on the new sports changing area started earlier this year and is due to be complete by December at a cost of £454,000. Madeley House Improvements were completed in this Academic year at a cost of £104,000. Artificial grass has been installed on the play areas near the humanities section and replaced around the back field.

An actuarial gain of £4,114,000 resulted on the defined benefit Local Government Pension Scheme, following the previous year's loss of £316,000. 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.

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 2022 were £18,796,793, an increase of £3,343,543.

Of these reserves £17,247,952 are restricted and therefore not available for use, other than as allowed by the restriction, or distribution. Of this figure: £16,878,886 represents the current net book value of the Academy's land, buildings, fixtures and fittings; there is a defined benefit pension liability of £22,000; there are prize funds of £63,318; and the endowment fund of £37,766 represents the market value of donated investments.

The remaining restricted reserves of £290,002 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 2022-23.

Total unrestricted reserves of £1,548,841 consist of designated reserves of £1,402,483 and £146,358 of general funds.

The Governors previously authorised the refurbishment and extension of the Sports Pavilion and established a new designated fund of £370,000 to cover the anticipated costs. This balance has been increased to £490,000 this year.

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 decreased to £235,178 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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Other designated funds of £85,784 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 £146,358 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.

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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

The Academy has dedicated Governors supporting the schools fundraising efforts.

The objective is to maximise fundraising efforts in support of school activities. Areas of fundraising include:

- 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 2022:

- Regular donations, most gift aided, to the value of £ have been received from parents of current and past students of the Academy;
- Gift aid claims for 2021-22 resulted in receipts of £29,626.

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.

The Academy will focus on building community links with local companies to explore further funding opportunities.

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 17/11/22 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 2022

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
Mr James Adkins (Resigned 4 September 2021)	0	0
Dr Majid Akram (Appointed 18 November 2021)	5	5
Mrs Tina Allen	6	6
Mrs Helen Anderson (Appointed 18 November 2021)	3	5
Mr H R Quentin Arnold (Responsible Officer)	3	6
Mr Darren Ayling (Resigned 31 August 2022)	6	6
Mr Martin Bloom	6	6
Mr Andrew Boulton	6	6
Mrs Susan Burgess	5	6
Miss Tansy Castledine	3	6
Mr Stephen Crane (Chair of Finance)	6	6
The Very Reverend Christopher Dalliston	4	6
Miss Elizabeth Dunmore (Resigned 18 November 2021)	2	2
Mr John Harrison (Accounting Officer) (Appointed 1 September 2022)	0	0
Mr Timothy Hitch	6	6
Mrs Barbara John (Resigned 3 September 2021)	0	0
Mrs Susan Lowe-Lauri	4	6
Mr Kevin Palmer (Chair of Governors)	6	6
Mrs Sharon Stimson (Appointed 11 January 2022)	4	4
Mrs J Lynne Thurlow	5	6
Mr Christopher Trotman	5	6
Reverend Canon Dr Rowan Williams	5	6

During the year the Headteacher role was recruited to following the previous incumbent's retirement.

Conflicts of interest

The school actively manage potential conflicts of interest by completing annual governor declaration forms and raising it at the start of every governors meeting. The requirements set out by the ESFA on business and other interests are followed to ensure transparency.

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 2022

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 (Resigned 31 August 2022)	7	7
Mr Stephen Crane (Chair of Finance)	7	7
Mr Timothy Hitch	5	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.
- 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 reviewed and 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 Academy has added rigour to the procurement process by investing in a Chief Finance Officer role that is tasked with supporting the Academy's procurement.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- 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 2021 to 31 August 2022 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 2021 to 31 August 2022 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 Board of Governors has decided:

- to employ TIAA Ltd as internal auditor

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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.

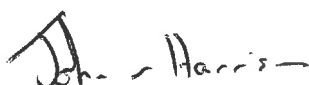
Review of effectiveness

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 17/11/2022 and signed on its behalf by:



Mr John Harrison
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 2022

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 Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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 John Harrison
Accounting Officer

13/11/2022

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022 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 2021 to 2022;
- 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 17/11/2022 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 2022

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 2022 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 2021 to 2022 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 2022 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 2021 to 2022.

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 other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 2022

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.

- 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.

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 2022

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 is available on the Financial Reporting Council's website at: <https://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 2022

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

5.12.2022

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 2022

In accordance with the terms of our engagement letter dated 14 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, 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 2021 to 31 August 2022 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 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 2022

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 2021 to 31 August 2022 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: 5.12.2022....

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Endowment funds £	Total 2022 £	Total 2021 £
Income and endowments from:							
Donations and capital grants	3	52,507	11,481	27,090	-	91,078	525,633
Charitable activities:							
- Funding for educational operations	4	797,610	6,910,511	-	-	7,708,121	7,041,258
Other trading activities	5	171	11,547	-	-	11,718	4,756
Investments	6	20,302	4,017	-	-	24,319	15,458
Total		870,590	6,937,556	27,090	-	7,835,236	7,587,105
Expenditure on:							
Charitable activities:							
- Educational operations	9	845,960	7,350,800	396,096	-	8,592,856	8,688,279
Total	7	845,960	7,350,800	396,096	-	8,592,856	8,688,279
Gains on endowment investments		(11,045)	-	-	(1,792)	(12,837)	42,497
Net income/ (expenditure)		13,585	(413,244)	(369,006)	(1,792)	(770,457)	(1,058,677)
Transfers between funds	20	(203,269)	(72,250)	275,519	-	-	-
Other recognised gains/ (losses)							
Actuarial gains/(losses) on defined benefit pension schemes	19	-	4,114,000	-	-	4,114,000	(316,000)
Net movement in funds		(189,684)	3,628,506	(93,487)	(1,792)	3,343,543	(1,374,677)
Reconciliation of funds							
Total funds brought forward		1,738,525	(3,297,186)	16,972,353	39,558	15,453,250	16,827,927
Total funds carried forward		1,548,841	331,320	16,878,866	37,766	18,796,793	15,453,250

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information		Unrestricted	Restricted funds: Endowment		Total
Year ended 31 August 2021		funds	General	Fixed asset	funds
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	64,126	3,352	458,155	-
Charitable activities:					
- Funding for educational operations	4	330,341	6,710,917	-	-
Other trading activities	5	246	4,510	-	-
Investments	6	14,415	1,043	-	-
Total		409,128	6,719,822	458,155	-
Expenditure on:					
Charitable activities:					
- Educational operations	9	420,244	6,993,604	1,274,431	-
Total	7	420,244	6,993,604	1,274,431	-
Gains on endowment investments		24,357	-	-	18,140
Net income/(expenditure)		13,241	(273,782)	(816,276)	18,140
Transfers between funds	20	(64,268)	-	64,268	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(316,000)	-	-
Net movement in funds		(51,027)	(589,782)	(752,008)	18,140
Reconciliation of funds					
Total funds brought forward		1,789,552	(2,707,404)	17,724,361	21,418
Total funds carried forward		1,738,525	(3,297,186)	16,972,353	39,558

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	16,878,866		16,969,695	
Investments	15	250,178		263,015	
			17,129,044		17,232,710
Current assets					
Debtors	17	158,317		184,529	
Cash at bank and in hand		2,223,787		2,100,140	
			2,382,104		2,284,669
Current liabilities					
Creditors: amounts falling due within one year	18	(692,355)		(470,129)	
Net current assets			1,689,749		1,814,540
Net assets excluding pension liability			18,818,793		19,047,250
Defined benefit pension scheme liability	19	(22,000)		(3,594,000)	
Total net assets			18,796,793		15,453,250
Funds of the academy trust:					
Restricted funds	20				
- Fixed asset funds		16,878,866		16,972,353	
- Restricted income funds		353,320		296,814	
- Pension reserve		(22,000)		(3,594,000)	
- Endowment funds		37,766		39,558	
Total restricted funds		17,247,952		13,714,725	
Unrestricted income funds	20	1,548,841		1,738,525	
Total funds		18,796,793		15,453,250	

The accounts on pages 21 to 47 were approved by the Governors and authorised for issue on 17/11/2022 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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	16,878,866		16,969,695	
Investments	15	250,180		263,017	
			17,129,046		17,232,712
Current assets					
Debtors	17	158,317		184,529	
Cash at bank and in hand		2,223,787		2,100,140	
			2,382,104		2,284,669
Current liabilities					
Creditors: amounts falling due within one year	18	(692,357)		(470,131)	
Net current assets			1,689,747		1,814,538
Net assets excluding pension liability			18,818,793		19,047,250
Defined benefit pension scheme liability	19	(22,000)		(3,594,000)	
Total net assets			18,796,793		15,453,250
Funds of the academy trust:					
Restricted funds	20				
- Fixed asset funds		16,878,866		16,972,353	
- Restricted income funds		353,320		296,814	
- Pension reserve		(22,000)		(3,594,000)	
- Endowment funds		37,766		39,558	
Total restricted funds			17,247,952		13,714,725
Unrestricted income funds	20		1,548,841		1,738,525
Total funds			18,796,793		15,453,250

The accounts on pages 21 to 47 were approved by the Governors and authorised for issue on 17/11/2022... and are signed on their behalf by:



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 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	21		376,871		(250,890)
Cash flows from investing activities					
Dividends, interest and rents from investments		24,319		15,458	
Capital grants from DfE Group		27,090		432,625	
Purchase of tangible fixed assets		(304,633)		25,530	
Net cash (used in)/provided by investing activities			(253,224)		473,613
Net increase in cash and cash equivalents in the reporting period			123,647		222,723
Cash and cash equivalents at beginning of the year			2,100,140		1,877,417
Cash and cash equivalents at end of the year			2,223,787		2,100,140

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022 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.

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 2022. 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.

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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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 2022

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 2022

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.

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.

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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 19, 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 2022. 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 2022 £	Total 2021 £
Donated fixed assets	-	-	-	25,530
Capital grants	-	27,090	27,090	432,625
Other donations	52,507	11,481	63,988	67,478
	<u>52,507</u>	<u>38,571</u>	<u>91,078</u>	<u>525,633</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	6,258,202	6,258,202	5,910,222
Other DfE/ESFA grants:				
- Pupil premium	-	130,541	130,541	140,815
- PE and sports premium	-	25,953	25,953	7,277
- Teachers' pension grant	-	78,300	78,300	234,579
- Teachers' pay grant	-	27,709	27,709	83,015
- Others	-	106,055	106,055	62,412
	-	6,626,760	6,626,760	6,438,320
Other government grants				
Local authority grants	-	233,523	233,523	146,981
COVID-19 additional funding				
Non-DfE/ESFA				
Coronavirus job retention scheme grant	-	-	-	15,716
Other COVID-19 funding	-	21,975	21,975	102,040
	-	21,975	21,975	117,756
Other incoming resources	797,610	28,253	825,863	338,201
Total funding	797,610	6,910,511	7,708,121	7,041,258

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	171	-	171	246
Other income	-	11,547	11,547	4,510
	171	11,547	11,718	4,756

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	12,936	3,486	16,422	7,653
Other investment income	7,366	531	7,897	7,805
	<u>20,302</u>	<u>4,017</u>	<u>24,319</u>	<u>15,458</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	4,967,057	-	750,881	5,717,938	5,257,162
- Allocated support costs	1,394,897	748,259	731,762	2,874,918	3,431,117
	<u>6,361,954</u>	<u>748,259</u>	<u>1,482,643</u>	<u>8,592,856</u>	<u>8,688,279</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	12,500	12,225
- Other services	1,150	1,100
Operating lease rentals	22,621	22,261
Depreciation of tangible fixed assets	395,462	754,666
Net interest on defined benefit pension liability	63,000	52,000
	<u></u>	<u></u>

8 Governance costs

	Total 2022 £	Total 2021 £
All from restricted funds:		
Amounts included in support costs		
Legal costs	9,844	11,571
Auditor's remuneration		
- Audit of financial statements	12,500	12,225
- Other audit costs	1,150	1,100
	<u>23,494</u>	<u>24,896</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	344,847	5,373,091	5,717,938	5,257,162
Support costs				
Educational operations	501,113	2,373,805	2,874,918	3,431,117
	<u>845,960</u>	<u>7,746,896</u>	<u>8,592,856</u>	<u>8,688,279</u>
Analysis of costs			2022 £	2021 £
Direct costs				
Teaching and educational support staff costs			4,967,057	4,799,976
Staff development			20,350	16,687
Technology costs			61,955	71,752
Educational supplies and services			222,022	265,548
Examination fees			138,031	89,368
Other direct costs			308,523	13,831
			<u>5,717,938</u>	<u>5,257,162</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

(Continued)

Support costs

Support staff costs	1,394,897	1,235,015
Depreciation	395,462	754,666
Recruitment and support	52,920	23,901
Maintenance of premises and equipment	101,266	653,709
Rent, rates and other occupancy costs	251,531	253,216
Security and transport	19,628	17,176
Catering	290,219	214,810
Finance costs	63,000	52,000
Legal costs	9,844	11,571
Other support costs	282,501	201,728
Governance costs	13,650	13,325
	<u>2,874,918</u>	<u>3,431,117</u>

10 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	4,476,342	4,314,665
Social security costs	439,156	408,404
Pension costs	1,441,593	1,294,505
Staff costs - employees	<u>6,357,091</u>	<u>6,017,574</u>
Agency staff costs	4,863	17,417
	<u>6,361,954</u>	<u>6,034,991</u>
Staff development and other staff costs	20,350	16,687
Total staff expenditure	<u>6,382,304</u>	<u>6,051,678</u>

Staff numbers

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

	2022 Number	2021 Number
Teachers	74	73
Administration and support	77	72
Management	2	2
	<u>153</u>	<u>147</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

(Continued)

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	2
£110,001 - £120,000	1	1
	<u> </u>	<u> </u>

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 £760,335 (2021: £741,286).

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 (2021: £115,000 - £120,000)

Employer's pension contributions £25,000 - £30,000 (2021: £25,000 - £30,000)

Mrs J L Thurlow (staff governor)

Remuneration £30,000 - £35,000 (2021: £15,000 - £20,000)

Employer's pension contributions £5,000 - £10,000 (2021: £0 - £5,000)

Miss E Dunmore (staff governor) - to 31/12/2021

Remuneration £15,000 - £20,000 (2021: £50,000 - £55,000)

Employer's pension contributions £0 - £5,000 (2021: £10,000 - £15,000)

Mrs S Stimson (staff governor) - from 01/01/2022

Remuneration £30,000 - £35,000

Employer's pension contributions £5,000 - £10,000

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

11 Governors' remuneration and expenses

(Continued)

During the year ended 31 August 2022, travel and subsistence expenses totalling £nil (2021: £nil) were reimbursed to Governors 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 (2021: 2) during the year who are related to the Governors. The total remuneration paid was £97,845 (2021: £97,269).

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 2022 was £685 (2021: £685). The cost of this insurance is included in the total insurance cost.

13 Financial instruments

	2022 £ Group	2022 £ Charity	2021 £ Group	2021 £ Charity
Carrying amount of financial assets				
Trade debtors	6,526	6,526	248	248
Bank and cash	2,223,787	2,223,787	2,100,140	2,100,140
VAT recoverable	97,321	97,321	10,137	10,137
	<u>2,327,634</u>	<u>2,327,634</u>	<u>2,110,525</u>	<u>2,110,525</u>
Carrying amount of financial liabilities				
Trade payables	98,189	98,189	170,106	170,106
Other taxes and social security	106,680	106,680	103,151	103,151
Other creditors	169,288	169,288	21,140	21,140
Accruals	202,470	202,470	38,945	37,945
	<u>576,627</u>	<u>576,627</u>	<u>333,342</u>	<u>332,342</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Tangible fixed assets Group and Charity

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2021	20,340,098	529,448	5,900	20,875,446
Additions	240,668	63,965	-	304,633
Disposals	-	(4,562)	-	(4,562)
At 31 August 2022	20,580,766	588,851	5,900	21,175,517
Depreciation				
At 1 September 2021	3,383,075	520,709	1,967	3,905,751
On disposals	-	(4,562)	-	(4,562)
Charge for the year	361,791	31,704	1,967	395,462
At 31 August 2022	3,744,866	547,851	3,934	4,296,651
Net book value				
At 31 August 2022	16,835,900	41,000	1,966	16,878,866
At 31 August 2021	16,957,023	8,739	3,933	16,969,695

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Fixed asset investments Group

	Listed investments	Investment in subsidiary undertaking	Total
	£	£	£
Market value			
At 1 September 2021	263,015	-	263,015
Change in value in the year	(12,837)	-	(12,837)
At 31 August 2022	250,178	-	250,178

	Listed investments	Investment in subsidiary undertaking	Total
	£	£	£
Charity			
Market value			
At 1 September 2021	263,015	2	263,017
Change in value in the year	(12,837)	-	(12,837)
At 31 August 2022	250,178	2	250,180

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. The subsidiary is dormant. The Charity owns the entire issued share capital of 2 ordinary shares at £1 each.

16 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	115,728	136,787
Deferred income at 1 September 2021	136,787	57,853
Released from previous years	(136,787)	(57,853)
Resources deferred in the year	115,728	136,787
Deferred income at 31 August 2022	115,728	136,787

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 2022

17 Debtors	2022 £ Group	2022 £ Charity	2021 £ Group	2021 £ Charity
Trade debtors	6,526	6,526	248	248
VAT recoverable	97,321	97,321	10,137	10,137
Other debtors	-	-	9,673	9,673
Prepayments and accrued income	54,470	54,470	164,471	164,471
	<u>158,317</u>	<u>158,317</u>	<u>184,529</u>	<u>184,529</u>
18 Creditors: amounts falling due within one year	2022 £ Group	2022 £ Charity	2021 £ Group	2021 £ Charity
Trade creditors	98,189	98,189	170,106	170,106
Taxes and social security costs	106,680	106,680	103,151	103,151
Other creditors	169,288	169,290	21,140	22,142
Accruals	202,470	202,470	38,945	37,945
Deferred income	115,728	115,728	136,787	136,787
	<u>692,355</u>	<u>692,357</u>	<u>470,129</u>	<u>470,131</u>

19 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 £113,493 were payable to the schemes at 31 August 2022 (2021: £nil) 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 academy trusts. 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 2022

19 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 2024.

The employer's pension costs paid to the TPS in the period amounted to £722,512 (2021: £718,989).

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	2022 £	2021 £
Employer's contributions	234,000	228,000
Employees' contributions	73,000	72,000
Total contributions	307,000	300,000

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.7	3.4
Rate of increase for pensions in payment/inflation	3.2	2.9
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
Retiring today		
- Males	22.0	22.2
- Females	24.2	24.4
Retiring in 20 years		
- Males	22.9	23.2
- Females	26.0	26.2

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

	2022 £	2021 £
0.5% decrease in Real Discount Rate	705,000	1,075,000
0.5% decrease in Salary Increase Rate	65,000	100,000
0.5% decrease in Pension Increase Rate	650,000	960,000

Defined benefit pension scheme net liability

	2022 £	2021 £
Scheme assets	6,594,000	6,423,000
Scheme obligations	(6,616,000)	(10,017,000)
Net liability	(22,000)	(3,594,000)

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

	2022 Fair value £	2021 Fair value £
Equities	4,615,800	4,303,410
Bonds	857,220	1,091,910
Property	1,055,040	899,220
Other assets	65,940	128,460
Total market value of assets	6,594,000	6,423,000

The actual return on scheme assets was £(60,000) (2021: £1,049,000).

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost	713,000	571,000
Interest income	(108,000)	(89,000)
Interest cost	171,000	141,000
Total operating charge	776,000	623,000
Changes in the present value of defined benefit obligations	2022 £	2021 £
At 1 September 2021	10,017,000	8,026,000
Current service cost	713,000	571,000
Interest cost	171,000	141,000
Employee contributions	73,000	72,000
Actuarial (gain)/loss	(4,282,000)	1,276,000
Benefits paid	(76,000)	(69,000)
At 31 August 2022	6,616,000	10,017,000
Changes in the fair value of the academy trust's share of scheme assets	2022 £	2021 £
At 1 September 2021	6,423,000	5,143,000
Interest income	108,000	89,000
Actuarial loss/(gain)	(168,000)	960,000
Employer contributions	234,000	228,000
Employee contributions	73,000	72,000
Benefits paid	(76,000)	(69,000)
At 31 August 2022	6,594,000	6,423,000

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	248,277	6,258,202	(6,144,227)	(72,250)	290,002
Pupil premium	-	130,541	(130,541)	-	-
Other Coronavirus funding	-	21,975	(21,975)	-	-
Other DfE/ESFA grants	-	106,055	(106,055)	-	-
Other government grants	-	233,523	(233,523)	-	-
PE and sports premium	-	25,953	(25,953)	-	-
Teachers' pay grant	-	27,709	(27,709)	-	-
Teachers' pension grant	-	78,300	(78,300)	-	-
Other restricted funds	48,537	55,298	(40,517)	-	63,318
Pension reserve	(3,594,000)	-	(542,000)	4,114,000	(22,000)
	<u>(3,297,186)</u>	<u>6,937,556</u>	<u>(7,350,800)</u>	<u>4,041,750</u>	<u>331,320</u>
Restricted fixed asset funds					
DfE group capital grants	16,972,353	27,090	(396,096)	275,519	16,878,866
	<u>16,972,353</u>	<u>27,090</u>	<u>(396,096)</u>	<u>275,519</u>	<u>16,878,866</u>
Restricted endowment fund	39,558	-	-	(1,792)	37,766
	<u>39,558</u>	<u>-</u>	<u>-</u>	<u>(1,792)</u>	<u>37,766</u>
Total restricted funds	<u>13,714,725</u>	<u>6,964,646</u>	<u>(7,746,896)</u>	<u>4,315,477</u>	<u>17,247,952</u>
Unrestricted funds					
General funds	41,708	870,590	(754,895)	(11,045)	146,358
Capital development fund	775,387	-	-	-	775,387
Property maintenance fund	465,000	-	(64,968)	(164,854)	235,178
Pavilion refurbishment	370,000	-	(26,097)	(37,769)	306,134
Other designated	86,430	-	-	(646)	85,784
	<u>1,738,525</u>	<u>870,590</u>	<u>(845,960)</u>	<u>(214,314)</u>	<u>1,548,841</u>
Total funds	<u>15,453,250</u>	<u>7,835,236</u>	<u>(8,592,856)</u>	<u>4,101,163</u>	<u>18,796,793</u>

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 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 2022. 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 2022

20 Funds

(Continued)

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

	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)	-	-
Other DfE/ESFA grants	-	62,412	(62,412)	-	-
Other government grants	-	249,021	(249,021)	-	-
PE and sports premium	-	7,277	(7,277)	-	-
Teachers' pay grant	-	83,015	(83,015)	-	-
Teachers' pension grant	-	234,579	(234,579)	-	-
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 2022

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

	Notes	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)		(757,620)	(1,101,174)
Adjusted for:			
Capital grants from DfE and other capital income		(27,090)	(458,155)
Investment income receivable	6	(24,319)	(15,458)
Defined benefit pension costs less contributions payable	19	479,000	343,000
Defined benefit pension scheme finance cost	19	63,000	52,000
Depreciation of tangible fixed assets		395,462	754,666
Decrease in debtors		26,212	72,737
Increase in creditors		222,226	101,494
Net cash provided by/(used in) operating activities		376,871	(250,890)

22 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	-	-	16,878,866	-	16,878,866
Fixed asset investments	212,412	-	-	37,766	250,178
Current assets	1,482,074	825,340	74,690	-	2,382,104
Creditors falling due within one year	(145,645)	(472,020)	(74,690)	-	(692,355)
Defined benefit pension liability	-	(22,000)	-	-	(22,000)
Total net assets	1,548,841	331,320	16,878,866	37,766	18,796,793

	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

THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	2,100,140	123,647	2,223,787

24 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	31,535	22,621
Amounts due in two and five years	4,994	664
	36,529	23,285

25 Capital commitments

	2022 £	2021 £
Expenditure contracted for but not provided in the accounts	306,134	-

26 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 £35,004 (2021 - £3,000) and were charged expenses of £1,942 (2021: £nil) 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.

27 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.