

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 2023**

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Mr Martin Bloom  
Mr Andrew Boulton  
Mr Stephen Crane  
The Very Reverend Christopher Dalliston  
Mr John Harrison  
Mr Kevin Palmer  
Mr Christopher Trotman (Resigned 31 August 2023)  
The Reverend Canon Precentor, Dr Rowan Williams

### Governors

Dr Majid Akram  
Mrs Helen Anderson  
Mr H R Quentin Arnold (Responsible Officer)  
Mr Martin Bloom  
Mr Andrew Boulton  
Miss Tansy Castledine  
Mr Stephen Crane (Chair of Finance)  
The Very Reverend Christopher Dalliston  
Mr John Harrison (Accounting Officer) (Appointed 1 September 2022)  
Mr Timothy Hitch  
Dr Lucy Jones  
Mr Dwight Norman (Appointed 10 January 2023)  
Mr Kevin Palmer (Chair of Governors)  
Mrs Sharon Stimson  
Mr Peter Thompson (Appointed 10 January 2023)  
Mrs J Lynne Thurlow  
Mr Christopher Trotman (Resigned 31 August 2023)  
Reverend Canon Dr Rowan Williams

### Senior management team

- Headteacher	Mr John Harrison
- 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 Finance Officer (until April 2023)	Mr Peter Edgley
- Chief Finance Officer (from April 2023 until June 2023)	Mr Richard Allinson
- Chief Finance Officer (from July 2023)	Mrs Natalie Ray
- Accounting officer	Mr John Harrison

### Company secretary

Mrs Natalie Ray

### Company registration number

07464058 (England and Wales)

### Principal and registered office

Park Road  
Peterborough  
PE1 2UE  
United Kingdom

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Independent auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP United Kingdom
<b>Bankers</b>	Close Brothers Savings 10 Crown Place London EC2A 4FT
<b>Solicitors</b>	Stone King LLP Wellington House East Road Cambridge CB1 1BH United Kingdom

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

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# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. 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 1,254 (2022: 1,220) in the school census as at January 2023.

#### **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.

The Board of Governors is responsible for the authorisation of spending within agreed budgets and limits. There are five Governor committees which report to the Board of Governors: Finance, Audit, Personnel, Curriculum, and Admissions. 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.

##### Members' liability

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

##### Governors' indemnities

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

##### Method of recruitment and appointment or election of Governors

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

##### Policies and procedures adopted for the induction and training of Governors

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

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### 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.

### 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.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **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".

#### 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 8, 9 and 11 have 150 youngsters in each year; Years 7 and 10 180 in it. The Sixth Form is over subscribed to its Published Admissions Number of 340.

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.

#### Key performance indicators

Examination results were again excellent for 2023. The GCSE results were well above national averages with a 100% pass rate and 47% of all grades 7-9. Our School's Progress 8 score has been calculated as approximately +0.64 which was significantly above national average, and many subject areas also demonstrated progress and attainment significantly above national averages; 9 showed positive progress figures of more than one grade.

The Post 16 results were excellent at A-Level. The A-Level pass rate being 99%, of which 38% of grades were A or A\* and 72% were A\* to B.

68% of students achieved their first choice at post 18 level. 20 students achieved places on medical or veterinary related courses and 92 students achieved places at competitive Russell Group universities.

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.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

#### Going concern

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

#### **Financial review**

The Academy set an operating budget for the 2022-23 academic year with a deficit of £150,000 but finished the year with a surplus. This was due in part to the Teachers' Pay Award settlement differing from the accrued position, and due to careful management of the staffing budget as posts changed during the academic year. An unbudgeted pension grant also improved the in year position.

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 2023 were £7,031,036 (2022: £6,626,760). The Trust also receives a significant amount of funding from SEN funding from local authorities to the value of £302,920 (2022: £204,769). The trusts total revenue income was £8,535,610 (2022: £7,128,950). This was used to fund revenue expenditure of £8,381,683, leaving an in year surplus of £153,927.

Work on the Pavillion is now complete; and the new astro turf pitch is complete. Work will commence on a new additional dining facility before Christmas.

An actuarial gain of £362,000 resulted on the defined benefit Local Government Pension Scheme, following the previous year's gain of £4,114,000. As stated in note 24 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 18 to the financial statements, total funds at 31 August 2023 were £18,893,986 (2022: £18,796,793).

Of these reserves £17,726,371 are restricted and therefore not available for use, other than as allowed by the restriction, or distribution. Of this figure: £17,101,220 represents the current net book value of the Academy's land, buildings, fixtures and fittings; the former pension liability is now a pension reserve of £189,000; there are prize funds of £47,489; and the endowment fund of £37,091 represents the market value of donated investments.

Total unrestricted reserves of £1,167,615 consist of designated reserves of £792,108 and £375,507 of general funds.

The Governors have authorised a balance of £450,000 for the building of the new additional dining facility 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 Plan will be extended to incorporate a long range vision covering the next 5 years of strategic investment.



# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Other designated funds of £76,840 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 £375,507 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 2023**

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### 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 2023:

- Regular donations, most gift aided, to the value of £30,780 have been received from parents of current and past students of the Academy;
- Gift aid claims for 2022-23 resulted in receipts of £nil.

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 investing in ensuring our cyber security precautions are robust.
- 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.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 16/11/23 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 2023**

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### 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
Dr Majid Akram	6	6
Mrs Helen Anderson	5	6
Mr H R Quentin Arnold (Responsible Officer)	5	6
Mr Martin Bloom	6	6
Mr Andrew Boulton	4	6
Miss Tansy Castledine	1	6
Mr Stephen Crane (Chair of Finance)	5	6
The Very Reverend Christopher Dalliston	4	6
Mr John Harrison (Accounting Officer) (Appointed 1 September 2022)	6	6
Mr Timothy Hitch	3	6
Dr Lucy Jones	5	6
Mr Dwight Norman (Appointed 10 January 2023)	1	3
Mr Kevin Palmer (Chair of Governors)	6	6
Mrs Sharon Stimson	4	6
Mr Peter Thompson (Appointed 10 January 2023)	3	3
Mrs J Lynne Thurlow	5	6
Mr Christopher Trotman (Resigned 31 August 2023)	4	6
Reverend Canon Dr Rowan Williams	5	6

### 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.

### Governance reviews

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 2023

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Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mrs Helen Anderson	2	6
Mr H R Quentin Arnold (Responsible Officer)	6	6
Mr Stephen Crane (Chair of Finance)	6	6
Mr John Harrison (Accounting Officer) (Appointed 1 September 2022)	6	6
Mr Timothy Hitch	0	6
Mr Dwight Norman (Appointed 10 January 2023)	2	3
Mr Kevin Palmer (Chair of Governors)	6	6

#### 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, as well as estates safety and management, 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 2023

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- 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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 2023**

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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 16/11/23 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 2023**

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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, including for estates safety and management, 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 2022, including responsibilities for estates safety and management.

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 2022.

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**

16/11/2023  
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# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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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 2022 to 2023 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 2022 to 2023;
- 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 16/11/23 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 2023**

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### 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 2023 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 2022 to 2023 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 2023 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 2022 to 2023.

### 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 2023**

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### **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.

### **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.

# 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 2023**

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 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 2022 to 2023 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.

### 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

5.12.2023

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
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 2023**

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In accordance with the terms of our engagement letter dated 10 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 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 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2023**

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### **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 2022 to 31 August 2023 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  
Cambridgeshire  
PE1 2SP  
United Kingdom

Dated: 5.12.2023

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Endowment Fixed asset funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	29,572	1,208	76,440	-	107,220
Charitable activities:						
- Funding for educational operations	4	936,657	7,487,811	-	-	8,424,468
Other trading activities	5	469	6,752	-	-	7,221
Investments	6	73,141	-	-	-	73,141
<b>Total</b>		<b>1,039,839</b>	<b>7,495,771</b>	<b>76,440</b>	<b>-</b>	<b>8,612,050</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	852,343	7,529,340	490,775	-	8,872,458
<b>Total</b>	7	<b>852,343</b>	<b>7,529,340</b>	<b>490,775</b>	<b>-</b>	<b>8,872,458</b>
Gains on endowment investments		(3,724)	-	-	(675)	(4,399)
<b>Net income/(expenditure)</b>		<b>183,772</b>	<b>(33,569)</b>	<b>(414,335)</b>	<b>(675)</b>	<b>(264,807)</b>
Transfers between funds	18	(564,998)	(71,691)	636,689	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	24	-	362,000	-	-	362,000
<b>Net movement in funds</b>		<b>(381,226)</b>	<b>256,740</b>	<b>222,354</b>	<b>(675)</b>	<b>97,193</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,548,841	331,320	16,878,866	37,766	18,796,793
Total funds carried forward		1,167,615	588,060	17,101,220	37,091	18,893,986

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds: Endowment			Total
Year ended 31 August 2022		funds	General	Fixed asset	funds	2022
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	3	52,507	11,481	27,090	-	91,078
Charitable activities:						
- Funding for educational operations	4	797,610	6,910,511	-	-	7,708,121
Other trading activities	5	171	11,547	-	-	11,718
Investments	6	20,302	4,017	-	-	24,319
<b>Total</b>		<b>870,590</b>	<b>6,937,556</b>	<b>27,090</b>	<b>-</b>	<b>7,835,236</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	845,960	7,350,800	396,096	-	8,592,856
<b>Total</b>	<b>7</b>	<b>845,960</b>	<b>7,350,800</b>	<b>396,096</b>	<b>-</b>	<b>8,592,856</b>
Gains on endowment investments		(11,045)	-	-	(1,792)	(12,837)
<b>Net income/(expenditure)</b>		<b>13,585</b>	<b>(413,244)</b>	<b>(369,006)</b>	<b>(1,792)</b>	<b>(770,457)</b>
Transfers between funds	18	(203,269)	(72,250)	275,519	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	24	-	4,114,000	-	-	4,114,000
<b>Net movement in funds</b>		<b>(189,684)</b>	<b>3,628,506</b>	<b>(93,487)</b>	<b>(1,792)</b>	<b>3,343,543</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,738,525	(3,297,186)	16,972,353	39,558	15,453,250
Total funds carried forward		1,548,841	331,320	16,878,866	37,766	18,796,793

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	13	17,101,220		16,878,866	
Investments	14	245,781		250,178	
		<u>17,347,001</u>		<u>17,129,044</u>	
<b>Current assets</b>					
Debtors	15	257,597		158,317	
Cash at bank and in hand		1,855,249		2,223,787	
		<u>2,112,846</u>		<u>2,382,104</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(754,861)		(692,355)	
<b>Net current assets</b>		<u>1,357,985</u>		<u>1,689,749</u>	
<b>Net assets excluding pension liability</b>		<u>18,704,986</u>		<u>18,818,793</u>	
Defined benefit pension scheme asset/(liability)	24	189,000		(22,000)	
<b>Total net assets</b>		<u>18,893,986</u>		<u>18,796,793</u>	
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds		17,101,220		16,878,866	
- Restricted income funds		399,060		353,320	
- Pension reserve		189,000		(22,000)	
- Endowment funds		37,091		37,766	
<b>Total restricted funds</b>		<u>17,726,371</u>		<u>17,247,952</u>	
<b>Unrestricted income funds</b>	18	1,167,615		1,548,841	
<b>Total funds</b>		<u>18,893,986</u>		<u>18,796,793</u>	

The accounts on pages 20 to 44 were approved by the Governors and authorised for issue on 16/11/23 and are signed on their behalf by:



Mr Kevin Palmer  
Chair of Governors

Company registration number 07464058



# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		118,570		376,871
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		73,141		24,319	
Capital grants from DfE Group		76,440		27,090	
Purchase of tangible fixed assets		(636,689)		(304,633)	
<b>Net cash used in investing activities</b>			(487,108)		(253,224)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(368,538)		123,647
Cash and cash equivalents at beginning of the year			2,223,787		2,100,140
<b>Cash and cash equivalents at end of the year</b>			1,855,249		2,223,787

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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### 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 2022 to 2023 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 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.

##### 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.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 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.

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges 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.

### 1.5 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.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

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.

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Investments

Fixed asset investments are stated at market value.

#### 1.9 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.

##### 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.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore 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.

#### 1.11 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.

#### 1.12 Fund accounting

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

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

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

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

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

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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 2023 £	Total 2022 £
Capital grants	-	76,440	76,440	27,090
Other donations	29,572	1,208	30,780	63,988
	<u>29,572</u>	<u>77,648</u>	<u>107,220</u>	<u>91,078</u>

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	6,536,636	6,536,636	6,258,202
Other DfE/ESFA grants:				
- Pupil premium	-	141,147	141,147	130,541
- PE and sports premium	-	16,620	16,620	25,953
- Teachers' pension grant	-	74,121	74,121	78,300
- Teachers' pay grant	-	-	-	27,709
- Others	-	262,512	262,512	106,055
	-	7,031,036	7,031,036	6,626,760
<b>Other government grants</b>				
Local authority grants	-	359,087	359,087	233,523
<b>COVID-19 additional funding</b>				
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	46,541	46,541	21,975
<b>Other incoming resources</b>	936,657	51,147	987,804	825,863
<b>Total funding</b>	936,657	7,487,811	8,424,468	7,708,121

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	469	-	469	171
Other income	-	6,752	6,752	11,547
	469	6,752	7,221	11,718

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	64,453	-	64,453	16,422
Other investment income	8,688	-	8,688	7,897
	73,141	-	73,141	24,319

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	4,463,033	-	832,275	5,295,308	4,890,961
- Allocated support costs	1,926,288	1,018,321	632,541	3,577,150	3,701,895
	<u>6,389,321</u>	<u>1,018,321</u>	<u>1,464,816</u>	<u>8,872,458</u>	<u>8,592,856</u>

#### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	31,535	22,621
Depreciation of tangible fixed assets	414,335	395,462
Fees payable to auditor for:		
- Audit	14,000	12,500
- Other services	1,850	1,150
Net interest on defined benefit pension liability	4,000	63,000

### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	387,343	4,907,965	5,295,308	4,890,961
<b>Support costs</b>				
Educational operations	465,000	3,112,150	3,577,150	3,701,895
	<u>852,343</u>	<u>8,020,115</u>	<u>8,872,458</u>	<u>8,592,856</u>

#### Analysis of costs

	2023 £	2022 £
<b>Direct costs</b>		
Teaching and educational support staff costs	4,463,033	4,140,080
Staff development	11,822	20,350
Technology costs	65,444	61,955
Educational supplies and services	217,369	222,022
Examination fees	154,756	138,031
Other direct costs	382,884	308,523
	<u>5,295,308</u>	<u>4,890,961</u>



# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>8 Charitable activities</b>	<b>(Continued)</b>	
<b>Support costs</b>		
Support staff costs	1,926,288	2,221,874
Depreciation	414,335	395,462
Recruitment and support	30,106	52,920
Maintenance of premises and equipment	360,726	101,266
Rent, rates and other occupancy costs	243,260	251,531
Security and transport	16,220	19,628
Catering	331,445	290,219
Finance costs	4,000	63,000
Legal costs	10,163	9,844
Other support costs	224,757	282,501
Governance costs	15,850	13,650
	<u>3,577,150</u>	<u>3,701,895</u>
<b>9 Governance costs</b>	<b>Total</b>	<b>Total</b>
<b>All from restricted funds:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts included in support costs</b>		
Legal costs	10,163	9,844
Auditor's remuneration		
- Audit of financial statements	14,000	12,500
- Other audit costs	1,850	1,150
	<u>26,013</u>	<u>23,494</u>
<b>10 Staff</b>		
<b>Staff costs</b>		
Staff costs during the year were:	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,730,947	4,476,342
Social security costs	464,662	439,156
Pension costs	1,153,253	1,441,593
Staff costs - employees	<u>6,348,862</u>	<u>6,357,091</u>
Agency staff costs	40,459	4,863
	<u>6,389,321</u>	<u>6,361,954</u>
Staff development and other staff costs	11,822	20,350
Total staff expenditure	<u>6,401,143</u>	<u>6,382,304</u>

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

(Continued)

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	69	68
Administration and support	70	77
Management	8	8
	<u>147</u>	<u>153</u>

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
	<u>-</u>	<u>1</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 £741,247(2022: £760,335).

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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) - to 31/08/2022

Remuneration £nil (2022: £115,000 - £120,000)

Employer's pension contributions £nil (2022: £25,000 - £30,000)

Mr J Harrison (headteacher and governor) - from 01/09/2022

Remuneration £100,000 - £110,000

Employer's pension contributions £25,000 - £30,000

Mrs J L Thurlow (staff governor)

Remuneration £30,000 - £35,000 (2022: £30,000 - £35,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000)

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

Remuneration £nil (2022: £15,000 - £20,000)

Employer's pension contributions £nil (2022: £0 - £5,000)

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

Remuneration £45,000 - £50,000 (2022: £30,000 - £35,000)

Employer's pension contributions £10,000 - £15,000 (2022: £5,000 - £10,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £1,258 (2022: £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 3 members of staff (2022: 2) during the year who are related to the Governors. The total remuneration paid was £91,766 (2022: £97,845).

#### 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 2023 was £685 (2022: £685). The cost of this insurance is included in the total insurance cost.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	20,580,766	588,851	5,900	21,175,517
Additions	556,054	80,635	-	636,689
At 31 August 2023	21,136,820	669,486	5,900	21,812,206
<b>Depreciation</b>				
At 1 September 2022	3,744,866	547,851	3,934	4,296,651
Charge for the year	391,047	21,322	1,966	414,335
At 31 August 2023	4,135,913	569,173	5,900	4,710,986
<b>Net book value</b>				
At 31 August 2023	17,000,907	100,313	-	17,101,220
At 31 August 2022	16,835,900	41,000	1,966	16,878,866

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

### 14 Fixed asset investments

	Listed investments	Investment in subsidiary undertaking	Total
	£	£	£
<b>Market value</b>			
At 1 September 2022	250,178	2	250,180
Change in value in the year	(4,399)	-	(4,399)
At 31 August 2023	245,779	2	245,781

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.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Debtors

	2023 £	2022 £
Trade debtors	78,796	6,526
VAT recoverable	48,568	97,321
Prepayments and accrued income	130,233	54,470
	<u>257,597</u>	<u>158,317</u>

### 16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	27,007	98,189
Other taxation and social security	111,491	106,680
Other creditors	130,841	169,288
Accruals and deferred income	485,522	318,198
	<u>754,861</u>	<u>692,355</u>

### 17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	<u>126,042</u>	<u>115,728</u>
Deferred income at 1 September 2022	115,728	136,787
Released from previous years	(115,728)	(136,787)
Resources deferred in the year	<u>126,042</u>	<u>115,728</u>
Deferred income at 31 August 2023	<u>126,042</u>	<u>115,728</u>

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 2023

### 18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	290,002	6,503,542	(6,384,784)	(57,189)	351,571
Pupil premium	-	141,147	(141,147)	-	-
Other Coronavirus funding	-	46,541	(46,541)	-	-
Other DfE/ESFA grants	-	353,253	(353,253)	-	-
Other government grants	-	359,087	(359,087)	-	-
PE and sports premium	-	16,620	(16,620)	-	-
Teachers' pay grant	-	74,121	(74,121)	-	-
Other restricted funds	63,318	1,460	(2,787)	(14,502)	47,489
Pension reserve	(22,000)	-	(151,000)	362,000	189,000
	<u>331,320</u>	<u>7,495,771</u>	<u>(7,529,340)</u>	<u>290,309</u>	<u>588,060</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	<u>16,878,866</u>	<u>76,440</u>	<u>(490,775)</u>	<u>636,689</u>	<u>17,101,220</u>
Restricted endowment fund	<u>37,766</u>	<u>-</u>	<u>-</u>	<u>(675)</u>	<u>37,091</u>
<b>Total restricted funds</b>	<u>17,247,952</u>	<u>7,572,211</u>	<u>(8,020,115)</u>	<u>926,323</u>	<u>17,726,371</u>
<b>Unrestricted funds</b>					
General funds	146,358	1,039,839	(852,343)	41,653	375,507
Capital development fund	775,387	-	-	(510,119)	265,268
Property maintenance fund	235,178	-	-	(235,178)	-
Dining area	-	-	-	450,000	450,000
Pavilion refurbishment	306,134	-	-	(306,134)	-
Other designated	85,784	-	-	(8,944)	76,840
	<u>1,548,841</u>	<u>1,039,839</u>	<u>(852,343)</u>	<u>(568,722)</u>	<u>1,167,615</u>
<b>Total funds</b>	<u>18,796,793</u>	<u>8,612,050</u>	<u>(8,872,458)</u>	<u>357,601</u>	<u>18,893,986</u>

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **18 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 2023. 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 2023

### 18 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
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>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	16,972,353	27,090	(396,096)	275,519	16,878,866
Restricted endowment fund	39,558	-	-	(1,792)	37,766
<b>Total restricted funds</b>	<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>
<b>Unrestricted funds</b>					
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>
<b>Total funds</b>	<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 2023

### 19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>					
Tangible fixed assets	-	-	17,101,220	-	17,101,220
Fixed asset investments	208,690	-	-	37,091	245,781
Current assets	1,093,587	1,008,026	11,233	-	2,112,846
Creditors falling due within one year	(134,662)	(608,966)	(11,233)	-	(754,861)
Defined benefit pension asset	-	189,000	-	-	189,000
<b>Total net assets</b>	<b>1,167,615</b>	<b>588,060</b>	<b>17,101,220</b>	<b>37,091</b>	<b>18,893,986</b>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>					
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 asset	-	(22,000)	-	-	(22,000)
<b>Total net assets</b>	<b>1,548,841</b>	<b>331,320</b>	<b>16,878,866</b>	<b>37,766</b>	<b>18,796,793</b>

### 20 Long-term commitments

#### Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	16,935	31,535
Amounts due in two and five years	-	4,994
	<b>16,935</b>	<b>36,529</b>

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(260,408)	(757,620)
Adjusted for:			
Capital grants from DfE and other capital income		(76,440)	(27,090)
Investment income receivable	6	(73,141)	(24,319)
Defined benefit pension costs less contributions payable	24	147,000	479,000
Defined benefit pension scheme finance cost	24	4,000	63,000
Depreciation of tangible fixed assets		414,335	395,462
(Increase)/decrease in debtors		(99,282)	26,212
Increase in creditors		62,506	222,226
<b>Net cash provided by operating activities</b>		<b>118,570</b>	<b>376,871</b>

### 22 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	2,223,787	(368,538)	1,855,249

### 23 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.

### 24 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 £113,982 were payable to the schemes at 31 August 2023 (2022: £113,493) 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 KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 24 Pension and similar obligations

(Continued)

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

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 £749,719 (2022: £722,512).

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

The actuarial valuation prepared under FRS102 in respect of the Local Government Pension Scheme indicated that the Trust's share of the scheme was in surplus as at the year end to the value of £715,000. The actuaries have undertaken an asset ceiling calculation which, on the basis that a minimum funding requirement does exist, indicates that only £189,000 of that surplus is likely to result in either a refund of contributions or a reduction in future contributions in the future.

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 24 Pension and similar obligations

(Continued)

Total contributions made	2023 £	2022 £
Employer's contributions	253,000	234,000
Employees' contributions	82,000	73,000
Total contributions	335,000	307,000
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.5	3.7
Rate of increase for pensions in payment/inflation	3.0	3.2
Discount rate for scheme liabilities	5.2	4.25

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

	2023 Years	2022 Years
Retiring today		
- Males	20.4	22.0
- Females	24.5	24.2
Retiring in 20 years		
- Males	21.3	22.9
- Females	25.4	26.0

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

	2023 £	2022 £
0.5% decrease in Real Discount Rate	625,000	705,000
0.5% decrease in Salary Increase Rate	60,000	65,000
0.5% decrease in Pension Increase Rate	580,000	650,000

Defined benefit pension scheme net asset/(liability)	2023 £	2022 £
Scheme assets	6,601,000	6,594,000
Scheme obligations	(6,412,000)	(6,616,000)
Net asset/(liability)	189,000	(22,000)

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 24 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	4,561,280	4,615,800
Bonds	1,425,400	857,220
Property	1,069,050	1,055,040
Other assets	71,270	65,940
Asset not recognised	(526,000)	-
Total market value of assets	6,601,000	6,594,000

The actual return on scheme assets was £(210,000) (2022: £(60,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	400,000	713,000
Interest income	(285,000)	(108,000)
Interest cost	289,000	171,000
Total operating charge	404,000	776,000

Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	6,616,000	10,017,000
Current service cost	400,000	713,000
Interest cost	289,000	171,000
Employee contributions	82,000	73,000
Actuarial gain	(857,000)	(4,282,000)
Benefits paid	(118,000)	(76,000)
At 31 August 2023	6,412,000	6,616,000

# THE KING'S (THE CATHEDRAL) SCHOOL, PETERBOROUGH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 24 Pension and similar obligations

(Continued)

##### Changes in the fair value of the academy trust's share of scheme assets

	2023 £	2022 £
At 1 September 2022	6,594,000	6,423,000
Interest income	285,000	108,000
Actuarial (gain)/loss	31,000	(168,000)
Employer contributions	253,000	234,000
Employee contributions	82,000	73,000
Benefits paid	(118,000)	(76,000)
Asset not recognised	(526,000)	-
At 31 August 2023	6,601,000	6,594,000

#### 25 Related party transactions

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

During the year the Academy received £35,000 (2022 - £35,004) and were charged expenses of £1,610 (2022: £1,942) 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.