

Company Registration Number: 08352159 (England & Wales)

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Annual report and financial statements

For the Year Ended 31 August 2022

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 11
Governance statement	12 - 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditors' report on the financial statements	19 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities incorporating income and expenditure account	25
Balance sheet	26 - 27
Statement of cash flows	28
Notes to the financial statements	29 - 54

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Diocese of Canterbury Academies Company Limited Mrs Emma Lane Rev Dr John Walker Jan Clark
Trustees	Mrs Emma Lane, Chair ^{1,2} Mr Alasdair Jones (resigned 13 July 2022) ^{1,2} Mr Trevor North, Principal and Accounting Officer ¹ Mrs Lindsey Smith, Secretary ^{1,2} Mrs Dawn Wolley ^{1,2} Mrs Lucinda Thorne (resigned 13 July 2022) Mrs Natalie Martin Rev Prebendary Mark Haldon-Jones Rev Dr John Walker Mrs Lisa Phillips Mrs Charlotte Coull, Staff Trustee Mrs Rebecca Longley, Staff Trustee ¹ members of the the Finance Committee ² members of the Audit Committee
Company registered number	08352159
Company name	Folkestone St Mary's Church of England Primary Academy
Principal and registered office	Warren Road Folkestone Kent CT19 6QH
Chief executive officer	Trevor North
Senior management team	Mr Trevor North, Principal Mrs Fay O'Grady, Deputy Principal Ms Samantha Lawson, Phase Leader Mrs Julia Briggs, Finance Manager Mrs Kim Gardiner, Business Manager
Independent auditors	Xeinadin Audit Limited Chartered Accountants Statutory Auditor 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Lloyds TSB Sandgate Road 309334 PO BOX 1000 BX1 1LT

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report
For the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 - 11 serving a catchment area in East Folkestone. It has a pupil capacity of 420 and had a roll of 396 in the school census on October 2021. In addition the academy operates a maintained nursery for children from 2 - 4 years. The nursery has a pupil capacity of 52 and offers sessions of 15 hours per week.

Structure, Governance and Management

a. 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 trustees of Folkestone St Mary's Church of England Primary Academy are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Folkestone St Mary's Church of England Primary Academy or Folkestone St Mary's CEP Academy.

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

b. 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.

c. Trustees' indemnities

The Academy has opted in to the Department for Education's Risk Pooling Arrangements whereby the costs of materialised risks are covered by Government funds.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Structure, Governance and Management (continued)

d. Method of recruitment and appointment or election of Trustees

The Academy shall have a minimum of 3 Trustees. Trustees shall be appointed for a four year term of office (not ex-officio Trustees).

The members may appoint up to 9 Trustees to include the incumbents.

The parent body shall elect 2 Parent Trustees.

The staff shall elect up to 2 Staff Trustees (limited by only 1/3 of board being staff).

The Trustees may Co opt up to 2 Trustees.

The Principal shall be an ex officio Trustee.

The Secretary of State shall appoint additional and further Trustees as required.

When non-election vacancies arise, reference is made to the skills composition of the remaining board and recruitment takes place using local contacts, Inspiring Governance and Governors for Schools. Potential Trustees are interviewed before a decision is made about their appointment.

e. Policies and procedures adopted for the induction and training of Trustees

The induction and training of new Trustees will depend on their previous experience. The Chair/Vice Chair will act as a mentor to the new Trustee and they will be provided with documentation about the academy and its policies and performance. New Governor training will be provided via the local Authority face to face and online training and National Governance Association new governor induction.

Ongoing CPD is recognised within the academy as of vital importance to ensure that we are able to provide the best educational experience for our children. This includes Trustee's, and there is a minimum expectation that at least one training session will be attended by each Trustee each year including training by the Diocese.

The Academy Training and CPD policy covers this entitlement and all staff, volunteers and Trustees take ownership of their own CPD.

f. Organisational structure

The current management structure has evolved over time to ensure the efficient and effective running of the Academy. The structure comprises the Trustees, the Senior Leadership Team and the Middle/Subject leaders. This distributive leadership model devolves responsibility and encourages involvement in decision making at all levels.

The Trustees are responsible for setting general policy, agreeing the strategic direction of the Academy, adopting the annual improvement plan, the three year budget, agreeing the school self-evaluation and making major decisions on expenditure. They monitor progress against the plans and hold the Executive leaders to account. They appoint the Principal and are involved in senior staff appointments.

The Senior Leadership Team is the Executive Team of the Academy. They are led by the Principal, and comprise the 1 Deputy Principal, Phase Leader, Business Manager (Health & Safety/HR) and The Finance Manager. They implement the policies and plans agreed by the Trustees and report back to them on progress. The Principal is the Accounting Officer of the Academy and the Finance Manager is the Chief Financial Officer. The Principal, Deputy Principal, Business Manager and Phase Leaders are responsible for authorising expenditure within agreed limits. The Principal is responsible for appointing the majority of staff within the staffing budget agreed by the Trustees.

The middle leaders/subject leaders are responsible for improving standards in their field and have subject budgets available.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Structure, Governance and Management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Academy Pay Policy covers the pay and remuneration for all Academy staff. When a post is created, a salary range is agreed with reference to the Department for Education school size pay bands, but also recruitment and retention considerations. Benchmarking with similar academies is reviewed to ensure that salaries are in line with the prevailing market rate.

The Principal is responsible for setting pay for the Senior Leadership Team, but progression will be monitored by the Trustee pay committee to ensure it is merited, based on the performance management cycle.

The Principal's performance management will inform the decision regarding their pay progression and will be undertaken by a panel of 2/3 governors and an external advisor, who will assist with confirming whether targets have been met and setting suitable targets for the following year.

h. Related Parties and other connected charities and organisations

The Academy has strong links with a number of Folkestone Schools and Academies – St Peter's CEP School, St Eanswythe's CEP Academy, Christ Church CEP Academy, Selsted CEP School and Castle Hill Primary School. These schools and academies are all part of the Folkestone Ethos School Improvement Company whether as shareholders or directors. The company, which is non-profit making, receives donations from the member schools and pays for joint training, or educational purposes.

The Academy also receives donations from the St Mary's Parents and Friends group. This is a voluntary organisation which raises funds for the benefit of the children in the Academy and Nursery.

Objectives and activities

a. Objects and aims

The school continues to serve the community in its mission to support the disadvantaged children and ensure all of God's children flourish. We have identified the three year goals for the academy as:

- Pupils leave EYFS, KS1 and KS2 above the national benchmarks set.
- Children attend an outstanding school, which is in the top 10% of all performing schools.
- Christian ethos makes a positive difference to the children and community members.
- All Children are inspired by the curriculum and opportunities to develop their own interests and flourish as a result.
- A culture of appreciation and learning drives personal and professional development for all.

We understand that this will need smaller steps and as such have made the focus of the next academic year the following:

- Core leaders embed school's curriculum policies in the core subjects so that all teachers evidence high levels of consistency across the school and outcomes improve for children.
- The wider curriculum is ambitious, meaningful and gives all pupils the cultural capital they need to succeed in life.
- Disadvantaged children are given what they need to ensure they access a full curriculum with increasing fluency, understanding and independence and outcomes improve as a result.
- Teachers and supports staff receive highly engaging and effective professional development so that the teaching of the curriculum is outstanding in all areas.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Objectives and activities (continued)

b. Objectives, strategies and activities

Core leaders embed school's curriculum policies in the core subjects so that all teachers evidence high levels of consistency across the school and outcomes improve for children.

- 1. Develop teacher assessment, data collection and reporting systems so that stakeholders can further improve outcomes for children.**

To ensure this objective was met the academy's assessment system was reset so that it tracked the knowledge taught. We have also implemented the new EYFS curriculum and trained all staff on this. Further training was given to all staff on the assessment of the curriculum and the accuracy of assessment was further enhanced through moderation.

- 2. Raise attainment of reading for all pupils so that at least 80% leave at the exs and 25% at GDS in EYFS, KS1 and KS2.**

To ensure we met this objective we deployed a new literacy team. They were able to review the current reading structure and revise it so that there was a strong focus on vocabulary, comprehension and reading for enjoyment. TA consistent approach has now been achieved so that out of 5 days in the school 3 are focussed heavily on instruction and learning new skills with 2 focussed on application and enjoyment. The team ran regular coaching sessions with teachers so that they modelled the expectation and followed this up. The teaching and learning coach also supported this improvement objective.

In addition to this catch-up programmes, tuition and 1:1 support from the reading teacher across the school were also implemented. As a result of this initiative enhancement, the reading across the school has improved further. 75% of KS2 children left at the expected standard and 26% at GDS. This was above the national average. In all year groups, excluding SEN children from the data 80% met the exs. In most this was 90%. This leaves work to be done with meeting needs of SEN to boost all year groups above 80%.

- 3. Raise the attainment and progress of all pupils in maths so that they are at least 80% leave at the exs and 25% at GDS in EYFS, KS1 and KS2.**

This was further development from the previous year. The maths team led further coaching and support to ensure the revised maths curriculum was implemented effectively. There was a further focus on extending the learning for GDS pupils too.

In addition to this, the interventions in years 5 and 6 were based on small group support, 1:1 and 1:4 tuition. In year 6 the classes were split into 4 groups with a smaller sun group also adding value. The work with the teaching coaches in KS1 and KS2 strengthened the support from the maths team so that all teaching was good and better in the delivery of the curriculum.

When comparing whole school combined averages with that of the national benchmarking:

- We are at 58.3 % with the national whole school average at 59%
- Reading is above both the national and local authority averages at 74%
- Writing is lower than national and local authority averages by 1% at 63%
- Maths is in-line with national and local authority and at 72%

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Objectives and activities (continued)

The wider curriculum is ambitious, meaningful and gives all pupils the cultural capital they need to succeed in life.

In order to achieve this target, the curriculum team was formed and the content revised to ensure the sustainable development goals and the National Curriculum were sequenced appropriately and with a repetition to ensure the children knew more and remembered more. The school invested in Cornerstones as a vehicle for storing and tracking the curriculum. The Curriculum lead mapped the curriculum alongside the middle leadership team to ensure that the content was robust and sequential for all learners. All children have accessed a community focussed project, have had enriching experiences outside of the school and are also fully accessing Forest school.

Disadvantaged children are given what they need to ensure they access a full curriculum with increasing fluency, understanding and independence and outcomes improve as a result.

The academy invested further into pastoral support. This has enabled immediate support available for children who are de-regulating in school. By having increased capacity we have established The Base which provides for pupils who are unable to maintain safe conduct in a mainstream class setting and provide the necessary emotional support and teaching to support these pupils in building the skills needed to succeed in a mainstream setting. We have also been able to provide high level SEN support with Tigers class.

As a result of this, the pupils in Tigers class are making progress at a quicker rate than they would have done in their mainstream class. Our pupils with SEN are performing lower than the national and the local authority average.

There is significantly less disruption in the year groups where the Base pupils were working. Fixed term exclusions have lowered too.

By providing the pastoral support for disadvantaged pupils we have seen an increase in the percentage of pupil premium pupils without a SEN meeting the expected standard.

- In year R pupils with PP were inline with their Non PP peers in all subjects at 90%
- Year 2 inline or above in each subject 75%+
- Year 3 Inline or above in each subject 75%+
- Year 4 inline 75%+
- Year 6 in line 84%+
- In years 1 and 5 the percentage was 10-15% lower than non-disadvantaged peers and ranging from 60-73%
- Pupil Premium pupils in the school are achieving at least inline with Pupil Premium pupils in the LA and National average

In addition to this we can see the impact of Pastoral support in raising attendance levels too. Whilst we are still seeing a gap between disadvantaged and non-disadvantaged, the gap is not widening but remains at about 2%. Whole school is at 93%.

c. Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission and by Section 17 (5) Charities Act 2011 in exercising their powers or duties. We have referred to the guidance when setting and reviewing the aims and objectives and in planning future activities. This report details how we have pursued our public benefit for advancing education within the community.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Strategic Report

a. Key Performance Indicators

This year the main strategic highlights are:

- Ofsted reporting the school to continue to be good in all areas with very few pointers for improvement. The inspection agreed with the school's self-evaluation
- KS2 pupils achieved above the national average for combined scores
- In reading 75% of KS2 children left at the expected standard and 26% at GDS. This is broadly inline with the national average. In all year groups, excluding SEN children from the data 80% met the exs. In many this was 90%. This leaves work to be done with meeting needs of SEN to boost all year groups above 80%
- In maths, 78.5% met the exs which was above the national average
- In writing, 71% met the exs which was broadly in line with national averages

When comparing whole school combined averages with that of the national benchmarking:

- We are at 58.3 % with the national whole school average at 59%
- Reading is above both the national and local authority averages at 74%
- Writing is lower than national and local authority averages by 1% at 63%
- Maths is in-line with national and local authority and at 72%

b. Going Concern

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

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives a small grant for capital maintenance from the DfE and this is shown in the Statement of Financial Activities as restricted income. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31 August 2022, total expenditure of £2,633,767 (2021 - £2,380,991) was covered by recurrent grant funding from the DfE of £1,962,430 (2021 - £1,948,372) together with other incoming resources of £405,896 (2021 - £337,624). The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £1,850,409 (2021 - £(37,284)). Net movement in funds totalled £1,741,559 (2021 - £136,157). All expenditure has supported the key objectives of the academy trust.

The Academy received £22,403 Supplementary Funding to help cover increases in N.I. and other rising costs such as fuel (some of these increases will not come into effect until September 22). It also received National Tutoring Funding of £17,010 and Recovery Premium of £17,871 to help mitigate the effects of Covid 19. The funding enabled the Academy to employ a number of staff to tutor children on a one to one basis or to work in small groups to provide targeted support especially to the most vulnerable children. The school also received a £3,195 Big Adventure Grant from Kent to provide some of the children the chance to experience activities outside school as they had missed these opportunities during the lockdown. The school used it to take all the Year 6 pupils to two activity venues.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

The academy made significant savings in the budgeted cost of Teachers' salaries this year. This was due to a number of key staff taking longer than anticipated, unpaid, maternity leave and then returning on part time contracts. There were reduced numbers of swimming lessons so these costs on things such as transport were reduced. The residential visit did not take place, and other school visits were limited during the first half of the year so the cost to the school of subsidising these trips was reduced. The cost of staff training was reduced as much of this was carried out in school by the Teaching and Learning Coach or took place online. These savings have gone towards the Academy ending the year with a surplus of £94,409 excluding the pension and restricted fixed asset funds. This surplus will be used to fund extra teaching staff for 2022-23 to further help the pupils catch up and the reintroduction of wider curriculum experiences.

At 31st August 2022 the net book value for fixed assets was £2,979,537 (2021 - £3,088,387) and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land and buildings are occupied by the Academy under a supplemental agreement with the land trustees, being the incumbent and churchwardens of St Mary and St Eanswythe's Church, the DfE and Diocese of Canterbury. This agreement allows for termination with 2 years notice from the Trustees. Other assets were transferred to the Academy on conversion and have been included in the financial statement at a best estimate, taking into account purchase price and remaining useful lives.

Key financial policies adopted or reviewed during the year include the financial procedures policy which lays out the framework for financial management including financial responsibilities of the Trustees, Principal, Senior Leaders, budget holders and other staff. Other policies or documents reviewed and updated included Charges and Remissions, Anti Bribery, Gifts and Hospitality, Financial Procedures, Whistleblowing and the Risk Register.

a. Reserves policy

The Trustees review the level of reserves of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the need to put in place strategies to deliver our vision. The Trustees consider it prudent to retain reserves representing approximately 4 weeks expenditure should there be delays in receipts of funding or to cover unexpected emergencies. This is quantified as £200,000. A further £130,000 has been earmarked for capital improvements should CIF bids prove unsuccessful. The school heating boilers are ageing so reserves are needed for maintenance and eventual replacement with a more carbon neutral heating system. There are also a number of pupil toilets that require refurbishment in the next few years and an amount of £200,000 has been earmarked for this. The school is aware that reserve funds need to be available for any emergency such as roof damage or water leakage that would need immediate attention and payment before any Government funding would be available.

The Trustees are mindful of the reduced real terms income being received, whilst costs, especially energy, are increasing and will be utilising remaining reserves over the next few years to make up the shortfall between the cost of delivering the curriculum and nurture our pupils need and the income being provided to do this by the Government.

As at 31 August 2022 the academy held unrestricted reserves of £520,139 (2021 - £469,313) and restricted funds of £474,468 (2021 - £430,885) excluding the restricted fixed asset and pension reserve.

b. Investment policy

The Academy may hold cash balances surplus to its short term requirements. The trustees have authorised the opening of additional fixed term bank investment accounts to take advantage of higher interest rates when appropriate. No other forms of investments are authorised.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of policies and systems, to assess and minimise those risks including establishing effective operational procedures, internal controls and engaging in succession planning. Where significant financial risk still remains they have ensured that they have adequate cover via the government's Risk Pooling Arrangements.

The Trustees regularly examine the robustness of the financial systems of the Academy via Internal Auditor checks and reports to the Audit Committee. The Finance and Audit and Risk Committees regularly review performance against budgets and overall expenditure. The Bursar regularly monitors cash flow and ensures sufficient funds are held to cover all known and anticipated commitments.

The Trustees recognise that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, this deficit will not crystallise within the foreseeable future and the Academy follows the advice of the pension scheme actuary and makes contributions in accordance with the rates advised. Since the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

The Trustees have deemed the following risks to be of most serious consequence to the Academy:

- Failure to successfully recruit and retain pupils due to competition from other schools.
- Falling birth rates resulting in reduced pupil roll
- Changes to Government policy on Education funding
- Loss of a key member of the Senior Leadership Team
- Impact of an uncontrollable event e.g. fire or flood
- Safeguarding and child protection, major injury or a health and safety issue or environmental incident
- Changes to pension policy or funding for the Teachers' Pension Scheme and Local Government Pension Scheme

The Academy will continue to manage these risks, through performance reviews, development of leadership capacity, monitoring and efficiency evaluation and continue to review strategies to mitigate their impact

Fundraising

Fundraising activities do not comprise a significant part of the Academy's current operations, but the limited activities undertaken are all subject to the same high standards and strong controls as all other aspects of the Academy operation.

The Academy does not utilise professional fundraisers.

Any fundraising undertaken conforms with the Fundraising Code of Practice, and any fundraising undertaken by the Parents and Friends Group is monitored, the Chair and Vice Chair of Trustees are part of the group.

Any complaints regarding fundraising would be investigated using the Academy Complaints policy.

The Academy only operates voluntary fundraising events such as Fetes, discos etc and as such there is no pressure to be involved or to donate.

The Trustees will make reference to the Charity Commission 'Charity fundraising' document in all monitoring of fundraising.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Plans for future periods

The main strategic goals for the academy to achieve in the next three years are to continue to develop the curriculum so that it is meaningful and meets the needs the community. To be good or better in the next SIAMS inspection and to achieve the targets outlined below.

- Every classroom has an excellent teacher delivering a strong curriculum that meets all children's needs
- The Christian ethos makes a positive difference to the children and community members
- Children contribute to and care about themselves, their community and their world
- An engaging cycle of CPD ensures all teachers and support staff confidently deliver and assess the curriculum
- Children reach the goals set for them and achieve at least in line with national expectations in all core subjects

Projects that we will be running to ensure this is achieved are:

Staff development:

Coaching and mentoring
Teaching and learning communities
Instructional coaching and verp
CPD for support staff
Induction for new staff
Reading/ phonics/ Maths/writing

Pupil Outcomes:

Targeted catch up programmes
Retention and Recall
SEND/PP attainment and attendance

Personal Development:

Pupil led worship
Community projects
Hot chocolate Friday
Forest school awards
Sports and enrichment outside the curriculum
Curriculum exhibitions and presentations.
Young leader projects.

Funds held as custodian on behalf of others

The Academy and its trustees do not act as the custodian trustees of any other charity.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Auditors

The auditors, Xeinadin Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

However, in line with good practice the Financial Officer will obtain quotes from 3 auditors before the start of the 2023-24 academic-year.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 29 November 2022 and signed on its behalf by:



Mrs Emma Lane
Chair of Trustees

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Governance Statement

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Folkestone St Mary's Church of England Primary Academy has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Folkestone St Mary's Church of England Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Governance Statement (continued)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The board of Trustees has formally met 5 times during the year. Due to Covid 19 all of these meetings were held virtually. Attendance during the year at meetings of the board of trustees was as follows:

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

Trustee	Meetings attended	Out of a possible
Mrs Emma Lane, Chair	4	5
Mr Trevor North	5	5
Mr Alasdair Jones	5	5
Mrs Lindsey Smith	4	5
Mrs Dawn Wolley	5	5
Mrs Lucinda Thorne	2	5
Rev Prebendary Mark Haldon-Jones	0	5
Rev Dr John Walker	5	5
Mrs Natalie Martin	5	5
Mrs Lisa Phillips	2	5
Mrs Charlotte Coull	4	5
Mrs Rebecca Longley	1	5

A further planned meeting was re-assigned to discussions around implementing a new plan for the wider curriculum.

There have been no major changes to the Board of Trustees in 2021/22, two trustees resigned in July 2022. There is a broad range of skills across the Board that enables it to effectively lead, support and challenge. We will continue to use Inspiring Governance to help identify potential additional Governors.

We have 2 staff Trustees but when they resign we will not replace them. They do not have voting right in line with the Academy Trust Handbook. The Governors believe it is good to have staff present at Governors meetings so that they know what is happening and school is being held to account.

We continue to have Finance and Audit & Risk Committees but all other aspects are monitored as a governing body with link governors reporting on their specific areas.

CPD is considered vital to ensuring that we are able to understand the changing educational. Covid 19 has continued to prevent face to face training during the year, however, Trustees have undertaken some on line courses.

Conflicts of interest

Any conflicts of interest are declared at every meeting.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Governance Statement (continued)

Governance (continued)

Meetings

Although the Board only met in 5 minuted meetings an additional meeting of the Board was held to discuss the implementation of a new scheme of learning for the wider curriculum.

The effective oversight of funds was maintained with the Finance Committee which met 3 times during the year.

No review of Trustees was conducted at the end of 2021 due to Covid 19, however, the Trustees carried out a review and Skills Audit at the end of the Summer Term 2022 and will act on the findings as necessary.

The finance committee is a sub-committee of the main board of trustees. Its purpose is to:
Review the budgets etc to enable recommendations to be made to the Full Governing Body. The Finance Committee met 3 times this year.

Mrs Dawn Wolley, who is very experienced in public finance chairs this committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Dawn Wolley	3	3
Mr Trevor North	3	3
Mrs Emma Lane	2	3
Mrs Lindsey Smith	2	3
Mr Alasdair Jones	2	3
Mrs Natalie Martin	2	3

The Audit and Risk committee is also a sub-committee of the main board of trustees and its members are the same as those of the Finance Committee with the exception of the Principal and its meetings are held at the end of each Finance committee meeting.

Its purpose is to ensure that there is in place a process for the independent checking of financial controls, transactions and risks. It is an advisory committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Alisdair Jones	3	3
Mrs Emma Lane	2	3
Mrs Lindsey Smith	2	3
Mrs Dawn Wolley	3	3
Mrs Natalie Martin	2	3

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Governance Statement (continued)

Review of value for money

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

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

- Closely monitoring standards and effectiveness of staff in their roles and ensuring a good teacher in every classroom.
- Recruiting the best possible staff to support teachers in the classrooms.
- Ensuring high quality CPD is in place for all teachers so that good teaching happens all day, everyday.
- Improving behaviour and ensuring a calm and orderly environment where children can flourish.
- Ensured the academy runs within the forecasted budget and all resources available are used to impact on outcomes for children.
- Ensured high impact of tuition and interventions to raise standards across the academy.
- Significantly improving outcomes for disadvantaged pupils.
- Closely monitored expenditure and cost effectiveness of roles in school.

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 Folkestone St Mary's Church of England Primary Academy for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The academy 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 Trustees.
- 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.

FOLKESTONÉ ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Governance Statement (continued)

The risk and control framework (continued)

The Board of Trustees has decided to employ Paul Barton as internal auditor.

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

- Testing of payroll systems.
- Testing of purchase systems.
- Testing of control account/bank reconciliations.
- Reviewing items on the Risk Register including Cyber Crime.

On a termly basis, the internal auditor reports to the board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered his schedule of work as planned and reported to the Audit Committee and board of trustees. He has given advice on minor issues relating to best practice which has been incorporated into the continuous improvement cycle of the Academy. No material control issues have been identified as a result of the internal auditor's work.

Review of effectiveness

As accounting officer, the Principal 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 financial management and governance self-assessment process;
- the work of the executive managers within the Academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 29 November 2022 and signed on their behalf by:



Mrs Emma Lane
Chair of Trustees



Mr Trevor North
Accounting Officer

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Folkestone St Mary's Church of England Primary Academy I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2021.

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



Mr Trevor North
Accounting Officer
Date: 29 November 2022

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 29 November 2022 and signed on its behalf by:



Mrs Emma Lane
Chair of Trustees

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**Independent auditors' Report on the financial statements to the Members of Folkestone St Mary's
Church of England Primary Academy**

Opinion

We have audited the financial statements of Folkestone St Mary's Church of England Primary Academy (the 'academy') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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'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 Trustees with respect to going concern are described in the relevant sections of this report.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**Independent auditors' Report on the financial statements to the Members of Folkestone St Mary's
Church of England Primary Academy (continued)**

Other Information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**Independent auditors' Report on the financial statements to the Members of Folkestone St Mary's
Church of England Primary Academy (continued)**

Auditors' responsibilities for the audit of the financial statements

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

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

As part of an audit in accordance with ISAs (UK), exercise professional judgement and maintain professional scepticism through the audit. We also:

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.
2. Held discussions with the client regarding their policies and procedures on compliance with laws and regulations.
3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities.

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**Independent auditors' Report on the financial statements to the Members of Folkestone St Mary's
Church of England Primary Academy (continued)**

Use of our report

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



Alastair Crawford FCA (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited

Chartered Accountants

Statutory Auditor

12 Conqueror Court

Sittingbourne

Kent

ME10 5BH

Date: 7/12/2022

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Folkestone St Mary's Church of England Primary Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Folkestone St Mary's Church of England Primary Academy during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Folkestone St Mary's Church of England Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Folkestone St Mary's Church of England Primary Academy's funding agreement with the Secretary of State for Education dated 30 January 2013 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Folkestone St Mary's Church of England Primary Academy and the Education & Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Xelradin Audit Limited

Xelradin Audit Limited
Reporting Accountant
Chartered Accountants
Sittingbourne

Date: 7/12/2022

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	4	111	-	14,644	14,755	191,372
Other trading activities		64,016	-	-	64,016	48,400
Investments	7	204	-	-	204	648
Charitable activities		-	2,289,351	-	2,289,351	2,233,414
Total income		64,331	2,289,351	14,644	2,368,326	2,473,834
Expenditure on:						
Raising funds		13,505	-	-	13,505	2,883
Charitable activities	9	-	2,457,498	162,764	2,620,262	2,378,108
Total expenditure		13,505	2,457,498	162,764	2,633,767	2,380,991
Net income/(expenditure)		50,826	(168,147)	(148,120)	(265,441)	92,843
Transfers between funds	20	-	(39,270)	39,270	-	-
Net movement in funds before other recognised gains/(losses)		50,826	(207,417)	(108,850)	(265,441)	92,843
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	2,007,000	-	2,007,000	(229,000)
Net movement in funds		50,826	1,799,583	(108,850)	1,741,559	(136,157)
Reconciliation of funds:						
Total funds brought forward		469,313	(1,580,115)	3,088,387	1,977,585	2,113,742
Net movement in funds		50,826	1,799,583	(108,850)	1,741,559	(136,157)
Total funds carried forward		520,139	219,468	2,979,537	3,719,144	1,977,585

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 29 to 54 form part of these financial statements.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)
Registered number: 08352159

Balance sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	2,979,537	3,088,387
Current assets			
Stocks	17	5,162	1,215
Debtors	18	62,860	45,744
Cash at bank and in hand		1,056,866	975,013
		<u>1,124,888</u>	<u>1,021,972</u>
Creditors: amounts falling due within one year	19	(130,281)	(121,774)
Net current assets		<u>994,607</u>	<u>900,198</u>
Total assets less current liabilities		<u>3,974,144</u>	<u>3,988,585</u>
Net assets excluding pension liability		<u>3,974,144</u>	<u>3,988,585</u>
Defined benefit pension scheme liability	27	(255,000)	(2,011,000)
Total net assets		<u><u>3,719,144</u></u>	<u><u>1,977,585</u></u>

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A company limited by guarantee)

Registered number: 08352159

Balance sheet (continued)
As at 31 August 2022

	Note	2022 £	2021 £
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	2,979,537	3,088,387
Restricted income funds	20	474,468	430,885
Restricted funds excluding pension asset	20	<u>3,454,005</u>	<u>3,519,272</u>
Pension reserve	20	<u>(255,000)</u>	<u>(2,011,000)</u>
Total restricted funds	20	3,199,005	1,508,272
Unrestricted income funds	20	520,139	469,313
Total funds		<u>3,719,144</u>	<u>1,977,585</u>

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

The financial statements on pages 25 to 54 were approved by the Trustees, and authorised for issue on 29 November 2022 and are signed on their behalf, by:



Mrs Emma Lane
Chair of Trustees

The notes on pages 29 to 54 form part of these financial statements.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Statement of cash flows
For the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	22	121,123	218,641
Cash flows from investing activities			
	23	(39,270)	(211,198)
Change in cash and cash equivalents in the year		81,853	7,443
Cash and cash equivalents at the beginning of the year		975,013	967,570
Cash and cash equivalents at the end of the year	24, 25	1,056,866	975,013

The notes on pages 29 to 54 form part of these financial statements

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

1. General information

Folkestone St Mary's Church of England Primary Academy is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Folkestone St Mary's Church of England Primary School, Warren Road, Folkestone, Kent, CT19 6QH. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Folkestone St Mary's Church of England Primary Academy meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling to the nearest pound.

2.2 Company Status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

2.3 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.4 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year 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.

• **Sponsorship Income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **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 year it is receivable and to the extent the Academy has provided the goods or services.

2.5 Expenditure

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

• **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.5 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

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

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

2.8 Tangible fixed assets

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The buildings on Church land are situated on land, not owned by the Academy Trust, and are occupied on a rolling supplemental agreement with the Diocese of Canterbury. The underlying land is subject to a variety of specific trusts and vests in a number of different parties represented by the Diocese of Canterbury. Whilst the Academy Trust does not own the buildings, the Trustees do not regard the termination of the agreement to occupy as likely and therefore have reflected the fact that the Academy derives economic value from the buildings, which it is obliged to maintain and improve, by including them in the accounts. This is at the valuation based on the Mouchel desktop valuation completed for the ESFA, as if occupied under long leasehold. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land has been included. This treatment reflects the substance of the transaction, not the strict legal form of the transaction and places no restriction on either the Academy or the Diocese of the trust which own the land.

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Buildings on Church land	- 2% Straight line
Furniture and equipment	- 25% Straight line
Improvements to leasehold property	- 5 - 15 Years straight line
Computer equipment	- 33% Straight line

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

2.9 Stocks

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

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities

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

2.13 Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. 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.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

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

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

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

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

2.16 Fund Accounting

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

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

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

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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.

Multi-employer defined benefit pension scheme

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 16 for the carrying amount of the property, plant and equipment, and note 2.8 for the useful economic lives for each class of assets.

4. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	111	5,850	5,961	19,984
Capital Grants	-	8,794	8,794	171,388
	<u>111</u>	<u>14,644</u>	<u>14,755</u>	<u>191,372</u>
<i>Total 2021</i>	<u>3,534</u>	<u>187,838</u>	<u>191,372</u>	

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

5. Funding for the Academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	1,691,578	1,691,578	1,608,760
Other DfE/ESFA grants			
Pupil Premium	168,979	168,979	154,675
Teachers Pension Grant	5,503	5,503	69,132
Teachers Pay Grant	1,948	1,948	20,920
UIFSM	39,839	39,839	50,018
Others	54,583	54,583	44,867
	1,962,430	1,962,430	1,948,372
Other Government grants			
Special educational projects	113,308	113,308	109,854
Local authority grants	36,769	36,769	3,600
Early Years Funding	139,559	139,559	136,319
	289,636	289,636	249,773
Other income from the Academy's educational operations	2,404	2,404	3,029
COVID-19 additional funding (DfE/ESFA)			
Catch-up/Recovery Premium	17,871	17,871	32,240
National Tutoring Programme	17,010	17,010	-
	34,881	34,881	32,240
	2,289,351	2,289,351	2,233,414
<i>Total 2021</i>	<i>2,233,414</i>	<i>2,233,414</i>	

The academy received £17,871 (2021: £32,240) of funding for catch-up/recovery premium and costs incurred in respect of this funding totalled £17,871 (2021: £32,240).

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

6. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	4,317	4,317	-
Catering income	7,122	7,122	6,100
School trip	5,025	5,025	490
Other income	47,552	47,552	41,810
	<u>64,016</u>	<u>64,016</u>	<u>48,400</u>
<i>Total 2021</i>	<u>48,400</u>	<u>48,400</u>	

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	204	204	648
	<u>648</u>	<u>648</u>	
<i>Total 2021</i>	<u>648</u>	<u>648</u>	

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

8. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising voluntary income:					
Direct costs	-	-	13,505	13,505	2,883
Educational operations:					
Direct costs	1,602,577	-	92,687	1,695,264	1,572,862
Allocated support costs	471,469	114,339	339,190	924,998	805,246
	<u>2,074,046</u>	<u>114,339</u>	<u>445,382</u>	<u>2,633,767</u>	<u>2,380,991</u>
<i>Total 2021</i>	<u>1,886,543</u>	<u>113,937</u>	<u>380,511</u>	<u>2,380,991</u>	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Educational operations	2,620,262	2,620,262	2,378,108
<i>Total 2021</i>	<u>2,378,108</u>	<u>2,378,108</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	1,695,264	924,998	2,620,262	2,378,108
<i>Total 2021</i>	<u>1,572,862</u>	<u>805,246</u>	<u>2,378,108</u>	

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational operations 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,585,399	1,585,399	1,490,524
Educational supplies	71,139	71,139	64,265
Staff development	16,398	16,398	8,149
Educational consultancy	5,150	5,150	3,700
Agency Supply	17,178	17,178	6,224
	<u>1,695,264</u>	<u>1,695,264</u>	<u>1,572,862</u>
<i>Total 2021</i>	<u>1,572,862</u>	<u>1,572,862</u>	

Analysis of support costs

	Educational operations 2022 £	Total funds 2022 £	Total funds 2021 £
LGPS costs	32,000	32,000	25,000
Staff costs	471,469	471,469	389,795
Depreciation	162,764	162,764	160,552
Maintenance of premises and equipment	34,537	34,537	50,378
Cleaning	6,608	6,608	6,429
Rent & rates	22,334	22,334	18,247
Light & heat	32,495	32,495	29,902
Insurance	7,980	7,980	7,623
Security & transport	336	336	1,437
Catering	76,799	76,799	56,342
Computer costs	22,447	22,447	14,773
Other support costs	22,975	22,975	21,395
Governance costs	32,254	32,254	23,373
	<u>924,998</u>	<u>924,998</u>	<u>805,246</u>
<i>Total 2021</i>	<u>805,246</u>	<u>805,246</u>	

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

11. Net Income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>162,764</u>	<u>160,552</u>

12. Auditors' remuneration

	2022 £	2021 £
Fees payable to Xeinadin Audit Limited for the audit of the Academy's annual accounts	4,750	5,850
Fees payable to Xeinadin Audit Limited and its associates in respect of: All non-audit services not included above	<u>10,913</u>	<u>8,254</u>

13. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	1,421,364	1,334,916
Social security costs	115,726	107,638
Pension costs	519,778	437,765
	<u>2,056,868</u>	<u>1,880,319</u>
Agency staff costs	17,178	6,224
	<u>2,074,046</u>	<u>1,886,543</u>

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

13. Staff (continued)

b. Staff numbers

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Teaching staff	22	<i>19</i>
Support staff	49	<i>47</i>
Management	5	<i>6</i>
	76	<i>72</i>

c. Higher paid staff

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

	2022	<i>2021</i>
	No.	<i>No.</i>
In the band £80,001 - £90,000	1	<i>1</i>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £259,152 (2021 £351,115).

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

14. Trustees' remuneration and expenses

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

		2022	2021
		£	£
Mr Trevor North	Remuneration	80,000 - 85,000	80,000 - 85,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
Mrs Charlotte Coull	Remuneration	35,000 - 40,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs Rebecca Longley	Remuneration	5,000 - 10,000	35,000 - 40,000
	Pension contributions paid	0 - 5,000	5,000 - 10,000

During the year ended 31 August 2022, expenses totalling £83 were reimbursed to 1 Trustee (2021 - £157 to 2 Trustees). The expenses reimbursed relate to academy expenditure paid for by the Trustees.

15. Trustees' and Officers' Insurance

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

16. Tangible fixed assets

	Buildings on church land £	Leasehold imp'vmts £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	2,926,000	831,256	89,230	327,038	4,173,524
Additions	-	20,251	1,400	32,263	53,914
At 31 August 2022	<u>2,926,000</u>	<u>851,507</u>	<u>90,630</u>	<u>359,301</u>	<u>4,227,438</u>
Depreciation					
At 1 September 2021	502,298	240,098	82,792	259,949	1,085,137
Charge for the year	58,520	55,819	5,432	42,993	162,764
At 31 August 2022	<u>560,818</u>	<u>295,917</u>	<u>88,224</u>	<u>302,942</u>	<u>1,247,901</u>
Net book value					
At 31 August 2022	<u>2,365,182</u>	<u>555,590</u>	<u>2,406</u>	<u>56,359</u>	<u>2,979,537</u>
At 31 August 2021	<u>2,423,702</u>	<u>591,158</u>	<u>6,438</u>	<u>67,089</u>	<u>3,088,387</u>

17. Stocks

	2022 £	2021 £
Uniform stocks	<u>5,162</u>	<u>1,215</u>

18. Debtors

	2022 £	2021 £
Due after more than one year		
Prepayments and accrued income	-	1,626
	-	1,626
Due within one year		
VAT recoverable	8,267	4,860
Prepayments and accrued income	54,593	39,258
	<u>62,860</u>	<u>45,744</u>

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

19. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	15,987	7,819
Other taxation and social security	26,460	22,063
Other creditors	33,755	31,518
Accruals and deferred income	54,079	60,374
	130,281	121,774
	130,281	121,774
	2022	2021
	£	£
Deferred income at 1 September 2021	31,807	35,046
Resources deferred during the year	28,704	31,807
Amounts released from previous periods	(31,807)	(35,046)
	28,704	31,807
	28,704	31,807

At the balance sheet date the academy trust was holding funds received in advance for free school meals and school clubs in respect of the following financial year.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

20. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	469,313	64,331	(13,505)	-	-	520,139
Restricted general funds						
General Annual Grant (GAG)	430,885	1,691,578	(1,608,725)	(39,270)	-	474,468
Pupil Premium	-	168,979	(168,979)	-	-	-
Teachers pension grant	-	5,503	(5,503)	-	-	-
Teachers pay grant	-	1,948	(1,948)	-	-	-
UIFSM	-	39,839	(39,839)	-	-	-
Covid-19 catchup/recovery premium	-	17,871	(17,871)	-	-	-
Covid-19 National Tutoring Programme	-	17,010	(17,010)	-	-	-
Other DfE/ESFA grants	-	54,583	(54,583)	-	-	-
Special educational projects	-	113,308	(113,308)	-	-	-
Local authority grants	-	36,769	(36,769)	-	-	-
Early years funding	-	139,559	(139,559)	-	-	-
Other	-	2,404	(2,404)	-	-	-
Pension reserve	(2,011,000)	-	(251,000)	-	2,007,000	(255,000)
	<u>(1,580,115)</u>	<u>2,289,351</u>	<u>(2,457,498)</u>	<u>(39,270)</u>	<u>2,007,000</u>	<u>219,468</u>

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

20. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Assets held for depreciation	3,088,387	-	(162,764)	53,914	-	2,979,537
Devolved capital grant	-	8,794	-	(8,794)	-	-
Donated assets	-	5,850	-	(5,850)	-	-
	<u>3,088,387</u>	<u>14,644</u>	<u>(162,764)</u>	<u>39,270</u>	<u>-</u>	<u>2,979,537</u>
Total Restricted funds	<u>1,508,272</u>	<u>2,303,995</u>	<u>(2,620,262)</u>	<u>-</u>	<u>2,007,000</u>	<u>3,199,005</u>
Total funds	<u>1,977,585</u>	<u>2,368,326</u>	<u>(2,633,767)</u>	<u>-</u>	<u>2,007,000</u>	<u>3,719,144</u>

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Buildings on Church land are subject to restricted trusts and comprise assets which are recognised in accordance with the accounting policy set out in note 2.8. The land upon which these buildings are situated was originally donated solely for the purpose of providing a site for school buildings. Were school operations ever to cease on this site the land and obligations would revert to the original trustees for this site.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers In/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
Unrestricted funds	419,614	52,582	(2,883)	-	-	469,313
Restricted general funds						
General Annual Grant (GAG)	331,868	1,608,760	(1,406,902)	(102,841)	-	430,885
Pupil Premium	-	154,675	(154,675)	-	-	-
Teachers pension grant	-	69,132	(69,132)	-	-	-
Teachers pay grant	-	20,920	(20,920)	-	-	-
UIFSM	-	50,018	(50,018)	-	-	-
Covid-19 income	-	32,240	(32,240)	-	-	-
Other DfE/ESFA grants	-	44,867	(44,867)	-	-	-
Special educational projects	-	109,854	(109,854)	-	-	-
Local authority grants	-	3,600	(3,600)	-	-	-
Early years funding	-	136,319	(136,319)	-	-	-
Other	-	3,029	(3,029)	-	-	-
Pension reserve	(1,596,000)	-	(186,000)	-	(229,000)	(2,011,000)
	<u>(1,264,132)</u>	<u>2,233,414</u>	<u>(2,217,556)</u>	<u>(102,841)</u>	<u>(229,000)</u>	<u>(1,580,115)</u>

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

20. Statement of funds (continued)

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Restricted fixed asset funds						
Assets held for depreciation	2,849,903	16,450	(160,552)	382,586	-	3,088,387
Devolved capital grant	-	8,853	-	(8,853)	-	-
Donated assets	108,357	162,535	-	(270,892)	-	-
	<u>2,958,260</u>	<u>187,838</u>	<u>(160,552)</u>	<u>102,841</u>	<u>-</u>	<u>3,088,387</u>
Total Restricted funds	<u>1,694,128</u>	<u>2,421,252</u>	<u>(2,378,108)</u>	<u>-</u>	<u>(229,000)</u>	<u>1,508,272</u>
Total funds	<u><u>2,113,742</u></u>	<u><u>2,473,834</u></u>	<u><u>(2,380,991)</u></u>	<u><u>-</u></u>	<u><u>(229,000)</u></u>	<u><u>1,977,585</u></u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022	Restricted funds 2022	Restricted fixed asset funds 2022	Total funds 2022
	£	£	£	£
Tangible fixed assets	-	-	2,979,537	2,979,537
Current assets	520,139	604,749	-	1,124,888
Creditors due within one year	-	(130,281)	-	(130,281)
Provisions for liabilities and charges	-	(255,000)	-	(255,000)
Total	<u><u>520,139</u></u>	<u><u>219,468</u></u>	<u><u>2,979,537</u></u>	<u><u>3,719,144</u></u>

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	3,088,387	3,088,387
Debtors due after more than one year	-	1,626	-	1,626
Current assets	469,313	551,033	-	1,020,346
Creditors due within one year	-	(121,774)	-	(121,774)
Provisions for liabilities and charges	-	(2,011,000)	-	(2,011,000)
Total	469,313	(1,580,115)	3,088,387	1,977,585

22. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(265,441)	92,843
Adjustments for:		
Depreciation	162,764	160,552
Capital grants from DfE and other capital income	(14,644)	(187,838)
Defined benefit pension scheme cost less contributions payable	251,000	186,000
Increase in stocks	(3,947)	(249)
Decrease in debtors	(17,116)	4,152
Increase/(decrease) in creditors	8,507	(36,819)
Net cash provided by operating activities	121,123	218,641

23. Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	(53,914)	(399,036)
Capital grants from DfE Group	8,794	171,388
Capital funding received from sponsors and others	5,850	16,450
Net cash used in investing activities	(39,270)	(211,198)

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

24. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand and at bank	1,056,866	975,013
Total cash and cash equivalents	1,056,866	975,013

25. Analysis of changes in net debt

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	975,013	81,853	1,056,866
	975,013	81,853	1,056,866

26. Contingent liabilities

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the ESFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the ESFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the ESFA.

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

27. Pension commitments

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

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

Contributions amounting to £33,430 were payable to the schemes at 31 August 2022 (2021 - £31,518) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £170,547 (2021 - £162,550).

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

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

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £166,000 (2021 - £147,000), of which employer's contributions totalled £131,000 (2021 - £115,000) and employees' contributions totalled £ 35,000 (2021 - £32,000). The agreed contribution rates for future years are 22.5 per cent for employers and variable per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	3.20
Discount rate for scheme liabilities	4.25	1.65

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.0	21.6
Females	23.5	23.6
<i>Retiring in 20 years</i>		
Males	22.3	22.9
Females	24.9	25.1

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

27. Pension commitments (continued)

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	2,348	3,935
Discount rate -0.1%	2,469	4,144
Mortality assumption - 1 year increase	2,475	4,196
Mortality assumption - 1 year decrease	2,342	3,886
CPI rate +0.1%	2,465	4,132
CPI rate -0.1%	2,353	3,946

Share of scheme assets

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

	At 31	At 31 August
	August 2022	2021
	£	£
Equities	1,411,000	1,328,000
Gilts	12,000	11,000
Property	253,000	208,000
Cash and other liquid assets	37,000	58,000
Other bonds	285,000	281,000
Absolute return fund	155,000	141,000
Total market value of assets	2,153,000	2,027,000

The actual return on scheme assets was £-27,000 (2021 - £245,000).

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

	2022	2021
	£	£
Current service cost	(349,000)	(275,000)
Interest income	35,000	27,000
Interest cost	(67,000)	(52,000)
Total amount recognised in the Statement of financial activities	(381,000)	(300,000)

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

27. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	4,038,000	3,235,000
Current service cost	349,000	275,000
Interest cost	67,000	52,000
Employee contributions	35,000	32,000
Actuarial (gains)/losses	(2,069,000)	447,000
Benefits paid	(12,000)	(3,000)
At 31 August	2,408,000	4,038,000

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

	2022 £	2021 £
At 1 September	2,027,000	1,639,000
Interest income	35,000	27,000
Actuarial (losses)/gains	(62,000)	218,000
Employer contributions	130,000	114,000
Employee contributions	35,000	32,000
Benefits paid	(12,000)	(3,000)
At 31 August	2,153,000	2,027,000

28. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	2,203	2,203
Later than 1 year and not later than 5 years	3,132	5,335
	5,335	7,538

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022 £	2021 £
Operating lease rentals	2,203	2,060

FOLKESTONE ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

29. Members' liability

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

30. Related party transactions

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

During the year, £1,200 (2021: £nil) was paid in respect of training and education provisions to Folkestone Ethos School Improvement Limited, whereby T North, a trustee, is a Director. No amounts were outstanding as at 31 August 2022 (2021: £nil).

During the year, £600 (2021: £600) was paid in respect of Yearly website hosting, back up and support by Sardines Plaice Ltd, where by J Smith, son of L Smith, a trustee is the owner of this company. No amounts were outstanding as at 31 August 2022 (2021: £nil).

J Briggs, sibling of L Smith, a trustee is employed by the academy trust as the schools Business Manager. J Briggs appointment was made in open competition and L Smith was not involved in the decision-making process regarding appointment. J Briggs is paid a competitive salary for her role and receives no special treatment as a result of her relationship to a trustee.

J Smith, son of L Smith, a trustee is employed by the academy trust as the schools IT Technician. J Smiths appointment was made in open competition and L Smith was not involved in the decision-making process regarding appointment. J Smith is paid a competitive salary for his role and receives no special treatment as a result of her relationship to a trustee.

In entering into the above transactions, the academy trust has complies with the requirements of the Academies Financial Handbook.