

24/11/2021

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**The St Marylebone Church
of England Bridge School**

**Annual Report and Financial
Statements**

31 August 2021

Company Limited by Guarantee
Registration Number
08270125 (England and Wales)

Reports

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|--|---|
| Members | Reverend Stephen Evans (as Rector) Ms Frances Endres (as Churchwarden) Mrs B Elise Omerod (as Churchwarden) Mr Emy Onah (as Churchwarden) Mrs Eliza Low (as Chairman of The St Marylebone Church of England School) London Diocesan Board for Schools The St Marylebone Church of England School |
| Governors | Dr Margaret Mountford (Chairman) Mrs Clare Alexander Ms Elizabeth Carey Reverend Canon Stephen Evans Mr Steven Larcombe Ms Siri Lewis Mrs Eliza Low Miss Kate Miller (Head of School) Ms Kathryn Pugh (Executive Headteacher) Mr Nazareth Shamlian Mr Tim Smith Mr Alistair Watson |
| Company Secretary | Ms Catherine Jackson |
| Senior Leadership Team | |
| Executive Headteacher | Ms Kathryn Pugh |
| Head of School | Miss Kate Miller |
| Deputy Head of School and SENCO | Miss Claire Brooks |
| Director of Finance and Administration | Mr John McDonald |
| Registered address | 17-23 Third Avenue London W10 4RS |
| Company registration number | 08270125 (England and Wales) |
| Auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Bankers | HSBC Bank plc 90 Baker Street London W1U 6AX |

The Governors of The St Marylebone Church of England Bridge School ('the Academy Trust') present their annual report together with the financial statements of the Academy Trust for the year ended 31 August 2021. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 34 to 39 of the attached financial statements and comply with the Academy Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2019 or later.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Academy Trust's memorandum and articles of association are the primary governing documents of the Academy Trust. The Governors act as the trustees for the charitable activities of The St Marylebone Church of England Bridge School and are also the directors of the Academy Trust for the purposes of company law. The Academy Trust is known as The St Marylebone Church of England Bridge School.

Members' liability

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

Governors' indemnities

Subject to the provisions of the Companies Act 2006, every Governor or other officer of the Academy Trust is indemnified out of the assets of the Academy Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

Principal activities

The Academy Trust's principal activity during the year was the operation of a Special Free School for the secondary education of pupils with statements or Education, Health and Care Plans.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**Governors**

The Governors are directors of the Academy Trust for the purposes of the Companies Act 2006. The following Governors served during the period:

| Governor | Appointed (Resigned) | Appointing body |
|-----------------------------------|---------------------------------|---------------------------------|
| Dr Margaret Mountford (Chairman) | | Co-opted Governor |
| Mrs Clare Alexander | | The St Marylebone C of E School |
| Mrs Harriet Capon | (31 Aug 2021) | The St Marylebone C of E School |
| Ms Elizabeth Carey | | Co-opted Governor |
| Reverend Canon Stephen Evans | | The St Marylebone C of E School |
| Mr Steven Larcombe | | The St Marylebone C of E School |
| Ms Siri Lewis | | Parents |
| Mrs Eliza Low | | The St Marylebone C of E School |
| Miss Kate Miller (Head of School) | | Ex-officio |
| Mrs Natalie Palmer | (31 Aug 2021) | Staff |
| Ms Kathryn Pugh (Exec Head) | | Ex-officio |
| Mr Alistair Watson | | The St Marylebone C of E School |

Mr Tim Smith was appointed as a Staff Governor, after the year end, on 5 October 2021. Mr Nazareth Shamlian was appointed as a Parent Governor, after the year end, on 22 October 2021. There is currently a Foundation Governor vacancy.

Method of recruitment and appointment or election of Governors

The St Marylebone Church of England Bridge School may appoint up to six Foundation Governors. These Governors shall be, throughout the term of their appointment, Foundation Governors on the Board of Governors for The St Marylebone Church of England School and at least one of such Governors shall be a nominee of the London Diocesan Board for Schools.

The St Marylebone Church of England Bridge School may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Head of School) who are employees of the Academy Trust does not exceed one third of the total number of Governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**Method of recruitment and appointment or election of Governors** (continued)

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he/she is elected. The Board of Governors shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot. The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he/she prefers, by having his/her ballot paper returned to the Academy Trust by a registered pupil at the Academy. Where a vacancy for a Parent Governor is required to be filled by election, the Board of Governors shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. The number of Parent Governors required shall be made up by Parent Governors appointed by the Board of Governors if the number of parents standing for election is less than the number of vacancies. In appointing a Parent Governor the Board of Governors shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Governors appointed from the Foundation Governors of The St Marylebone Church of England School may, with the consent of The St Marylebone Church of England School, appoint up to two Co-opted Governors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust (including the Head of School) would exceed one third of the total number of Governors.

Policies and procedures adopted for the induction and training of Governors

The Clerk to the Governors meets with all new Governors to discuss their roles and responsibilities and a meeting is arranged with the Chairman and Head of School. The following documents are provided and discussed:

Academy documents

- ◆ Schedule of Governors' Meetings
- ◆ List of Governors
- ◆ Governors' contact details
- ◆ List of membership of Governors' Committees
- ◆ Governors' Expense Policy

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of Governors
(continued)

Academy documents (continued)

- ◆ Ofsted documentation
- ◆ Academy Prospectus
- ◆ Minutes of recent meetings
- ◆ Academy Admissions Policy
- ◆ Register of Business Interests form
- ◆ Disqualification Declaration form

National Governors' Association documents

- ◆ Welcome to Governance

Westminster Council documents

- ◆ Westminster Governors' Training Schedule
- ◆ List of useful acronyms and abbreviations

LDBS documents

- ◆ LDBS Training Schedule

DfE documents

- ◆ Governance Handbook
- ◆ Competency Framework for Governance
- ◆ Academy Trust Handbook

All Governors are encouraged to participate in training. Recent courses attended include:

- ◆ Mental Health
- ◆ First Aid Course
- ◆ Health and Safety
- ◆ Fire Marshalling and evacuation
- ◆ Safer Recruitment Training
- ◆ Safeguarding Children in Education (Level 2)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The business of the Academy Trust is managed by the Board of Governors who may exercise all the powers of the Academy Trust. The Board delegates certain powers, as set out within respective Terms of Reference, to the following two dedicated committees:

- ◆ Finance and Premises Committee.
- ◆ Audit and Risk Committee.

The Executive Group of the St Marylebone Church of England Bridge School Academy Trust during the period comprised of the Executive Headteacher, Head of School, Deputy Head and the Director of Finance and Administration. These leaders control the Group at an executive level, implementing the policies laid down by the Board of Governors and reporting back to them. The senior staff of the Academy Trust during the year were the Senior Leadership Team.

The Board of Governors is responsible for establishing the ethos and character of the Academy Trust, setting general policy, adopting an annual development plan and budget, monitoring the Academy by the use of budgets, management accounts and performance indicators, and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Academy Trust during the year were the Governors and the Executive Group as listed on page 1. Governors receive no remuneration unless they are also employees of the Academy Trust, or of The St Marylebone Church of England School, in which case their remuneration relates solely to their duties as employee whilst working on the business of the Academy Trust. The remuneration of these Governors and members of the Executive Group are determined by the Academy Trust's Pay Committee. In making such determinations, there is consideration of the Pay Policy, available benchmark and market data, and recommendations made under the School Teachers Pay & Conditions Document (STPCD) and from the National Joint Council for Local Government Services (NJC).

Trade union facility time

During the year there were no employees acting as relevant union officials.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Risk management

The Board of Governors has assessed the major risks to which the Academy Trust is exposed, in particular those relating to teaching, facilities, finances, COVID-19 and other operational areas. Systems are in place to control these risks and to mitigate any potential impact. The Audit and Risk Committee assists in respect of financial risks, and a detailed risk register has been developed and internal controls implemented. Safeguarding of pupils and health and safety are taken particularly seriously with the Board of Governors ensuring that there is an extensive network of support and pastoral care, and a vigorous vetting procedure for all staff, contractors and visitors.

Connected organisations, including related party relationships

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, there is a possibility that transactions will take place with organisations in which a member of the Board of Governors may have an interest. This is generally avoided but any transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations, the Academies Financial Handbook, and normal procurement procedures.

Given that the Academy operates as a Special School, there are no faith based admissions criteria. However, the London Diocesan Board for Schools (LDBS) has a close association with the Academy and is a Member of it. LDBS provides a significant level of support for which the Governors are extremely grateful.

The Academy is also affiliated to the Woodard Corporation, a faith based organisation comprising Woodard Schools and Academies operated by them, and their independent but affiliated and associated partners.

The financial statements do not include disclosure of transactions between the Academy Trust and The St Marylebone Church of England School. This is because, as the Academy Trust is under the control of The St Marylebone Church of England School, the Academy Trust is treated as a subsidiary and is exempt from the requirement to disclose such transactions under Financial Reporting Standard 102.

Consolidated accounts for the Group are available from the Academy Trust's registered office, as listed on page 1. No other related party transactions took place during the period of account.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Academy Trust's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school specifically organised to make educational provision for pupils with Special Educational Needs (SEN) and with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and in having regard to the advice of the London Diocesan Board for Schools.

The Academy Trust, a co-educational Church of England Special Free School, aims to create an environment in which our students can achieve their maximum potential, gain independence and social awareness so that they can enjoy and participate in the world of work and adult society along with their mainstream peers.

As a church school we nurture respect for religious, moral and spiritual values. These values are located within scripture in *Colossians 3.12-17*, and underpin much of what we believe in. We seek to nurture *compassion, kindness, patience, forgiveness, thankfulness, wisdom, peace and gratitude* in our school community. We acknowledge our special responsibility in promoting British values and in the education of students, so that they can take a full part in society.

Whole School Objectives 2020-21

Pupil progress:

- ◆ Enable all students to make evident progress from their starting points ensuring academic targets are personalised and ambitious.
- ◆ Use the robust assessment system that is embedded across the curriculum to inform staff knowledge of pupils' progress and ongoing planning.
- ◆ Build effective ways of assessing and presenting pupils' achievements in terms of social development, behaviour and therapeutic to combine with the academic assessment to give a view of the impact of the whole school curriculum.
- ◆ Optimise what is offered by the external professional network to ensure our pupils are supported across all their areas of need.

OBJECTIVES AND ACTIVITIES (continued)

Whole School Objectives 2020-21 (continued)

Curriculum and career paths:

- ◆ Continue to build on a coherent, high quality, research-informed curriculum that reflects the vision of the School.
- ◆ Map and develop the life skills offer such that pupils become positive participating members of society and are ready for their next steps in education.
- ◆ Remain aware of changes in qualifications in order to offer relevant, enriching and ambitious programs of study to meet the cohort's needs.
- ◆ Develop the careers curriculum to meet the changing needs of the cohort by:
 - ◆ continuing to work towards meeting all of the Gatsby Benchmarks with specific focus on Benchmark 6 (Experiences of workplaces) and Benchmark 9 (Personal guidance);
 - ◆ being up to date with the current range of pathways for post-16 leavers and providing careers advice, guidance and work experience for KS4 pupils;
 - ◆ cementing links with our post-16 providers including work-based apprenticeships and colleges, to develop meaningful pathways for our leavers.

Teaching and Learning:

- ◆ Offer high quality teaching experiences for pupils and staff which include new ideas and practice.
- ◆ Ensure teaching has clear intent and is based on pedagogical approaches that are research-based and tailored to pupils' needs.
- ◆ Empower pupils through an oracy program which supports them to become effective self-advocates.
- ◆ Ensure staff expertise in ASD, SEMH, SpLD and ADHD* is evident in lessons and their approach to pupil well-being.
- ◆ Embed the Protective Behaviours program so that is part of timetabled lessons and adopted and promoted by all staff.

Leadership and Management:

- ◆ Further develop the middle leadership to increase their scope for influence and impact, ensuring roles, responsibilities and expectations are clear.
- ◆ Demonstrate excellence in middle and senior leadership, modelling high professional and pedagogical standards that impact positively on staff and pupils.

OBJECTIVES AND ACTIVITIES (continued)

Whole School Objectives 2020-21 (continued)

Leadership and Management: (continued)

- ◆ Continue to prioritise well-being for students and staff by treating mental health and well-being with as much importance as academic and communication priorities.
- ◆ Promote the School such that its presence and role in the local and education community is better understood and valued.

Church of England Ethos:

- ◆ Promote the School's worship programme through continued involvement with St Marylebone CE Parish Church, the School's Chaplain, assemblies and afternoon reflection.
- ◆ Continue to raise the profile of the School's Church of England values by creating a whole-school worship role to coordinate relevant projects and opportunities.

Permanent Premises:

- ◆ Continue to work with the Local Authority and DfE in delivering a purpose-built school, ready for January 2022.
- ◆ Plan effectively the staffing which will enable the successful move to permanent premises.

Finance:

- ◆ Ensure funding levels are appropriate to sustain the School's current offer by:
- ◆ mapping and costing the entire scope of our provision in a way which unambiguously demonstrates the funding it requires;
- ◆ engaging in a dialogue with Local Authority about our funding model and future-proofing finance of the school.

Outreach:

Build and develop The St Marylebone CE Bridge School SALT outreach services by:

- ◆ having band 6/7 SaLTs to provide 4 days of outreach support across 4 local primary schools;
- ◆ ensuring our outreach SaLT service focuses on a whole-school approach to supporting students with SLCN (the SMBS model);
- ◆ offering Elklan training packages to local schools;
- ◆ hosting annual open afternoons and training for professionals;
- ◆ contributing to the Initial Teacher Training programme at King's College;
- ◆ evaluating the quality and impact of the service.

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities

The Academy is a co-educational centre of excellence for pupils with Speech, Language and Communication needs. Serving the local community it fulfils a need for secondary places for students with speech and language barriers.

The close link with St Marylebone Church of England School allows the Academy's students to benefit from the mainstream School's specialism in SEN and its proven commitment to outstanding, effective and inclusive educational provision, supported by integrated care. Students also benefit from St Marylebone's proven track record in the pursuit of excellence, and its high aspirations for all members of our multi-cultural, multi-faith community and its outstanding teaching and learning.

Form Tutors and the Pastoral Leader carefully monitor academic progress. A code of conduct, which pupils agree to follow when they start in Year 7, ensures that firm yet fair discipline engenders an orderly and happy school community.

Academy rules are simple, clear and precise, encouraging routine, structure and consistency. The Academy aims for excellent behaviour from all students who will actively support one another and the wider community.

A close partnership between the Academy and parents and carers helps to support academic progress. All pupils have a school diary in which to record their homework, providing a day-to-day method for teachers to communicate with home. Parents and carers receive regular reports and are encouraged to attend Parents' Evenings where they will be able to discuss their child's academic progress and achievement.

In order to develop and nurture the confidence and self-esteem of pupils, the Academy believes in the importance of celebrating achievement. To this end we operate a system of specific praise and reward for academic success, hard work and good conduct.

Public Benefit

In setting the Academy's objectives and planning its activities, the Board of Governors has given careful consideration to the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

Achievements and performance

Review of activities

The Academy continues to go from strength to strength and is very grateful for the continued support of Westminster City Council and the Education and Skills Funding Agency who have both facilitated the continued occupation of the current site at 17-23 Third Avenue whilst the building of the new school is complete. A permanent site has now been secured at Herries St, London W10 4LE. The building work is well underway and we plan to move in by the summer of 2022.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Review of activities (continued)

Pupils continue to sit for formal qualifications and all who did so achieved a range of qualifications in Maths, English, ICT, Science, RS, PSHE, Art & Design, History, Geography, and PE. The qualifications were awarded at GCSE, Functional Skills, and Entry level, with some excellent results across a range of subjects despite the unsettled academic year.

We continue to have regular meetings with the contractor overseeing the completion of the new school building to ensure that the original design is in-line with the final outcome. Despite some issues with materials the contractors are maintaining a steady rate of progress and the building continues to develop week by week.

The Academy has maintained some of the processes put in place during the global pandemic: adapted movement around the building, use of google classroom within lessons, and safer deployment of supporting adults. These systems have worked well in line with the 'normal' running of the school day. Staff and pupils have delighted in being in the school building and getting back to having visitors on site as well as trips out.

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Although the COVID-19 pandemic has resulted in additional operating costs, particularly in respect of cleaning, these additional costs have not been, and are not expected to be over the next twelve months, significant enough to change the going concern basis. For this reason the Academy Trust continues to adopt the going concern basis in preparing the financial statements. Whilst the Academy Trust Balance Sheet shows net liabilities of £367,000, this is due entirely to the LGPS pension deficit of £554,000. Net assets excluding the LGPS pension deficit were £187,000 and the Academy Trust's operating deficit for the period was £29,000, leaving revenue reserves carried forward, excluding LGPS deficit, of £187,000 (2020 – £216,000). The Academy Trust's reserves policy ensures that the level of revenue reserves maintained reflects the level of both revenue expenditure and the LGPS pension deficit. Further details regarding the adoption of the going concern basis can be found in the Principal Accounting Policies.

Key financial performance indicators

The Finance and Premises Committee reviews key financial data, including performance indicators, at each of their meetings. A commentary on performance for the period is presented, with detailed management accounts that include the following information:

- ◆ Income to date versus budget to date comparisons, analysed by income heading;
- ◆ Expenditure to date versus budget to date comparisons, analysed by expenditure heading;

STRATEGIC REPORT (continued)**Achievements and performance** (continued)**Key financial performance indicators** (continued)

- ◆ Projected surplus/deficit for the year, analysed by income and expenditure headings, including operating surplus/deficit per pupil; and
- ◆ Bank and investment balances, both period end and current.

Staff costs represent the majority of the Academy Trust's expenditure and as such they are closely scrutinised. Actual staff costs are monitored monthly against budget with trends being extrapolated to provide expected year-end outcomes. Utility costs, including gas, electric and water, are also scrutinised to ensure efficient use of resources having regard to environmental impact.

Financial report for the year

The results for the year are shown on page 31. The net movement in funds, before reflecting the increase in LGPS pension deficit of £236,000 (2020 – £25,000), is negative at £76,000 (2020 – Positive at £59,000). However, after reflecting the increase in LGPS deficit, the net movement in funds was negative at £312,000 (2020 – positive at £34,000). The operational deficit for the year, after excluding movements on the defined benefit pension scheme liability and the fixed asset fund, was £29,000 (2020 – £31,000 surplus).

The financial position of the Academy at 31 August 2021 showed deficit funds of £367,000 (2020 – deficit funds of £55,000), consisting of LGPS pension deficit of £554,000 (2020 – £318,000 deficit), restricted other revenue funds of £187,000 (2020 – £216,000), and restricted capital funds of £nil (2020 – £47,000).

Financial review

Revenue funding over the year was less than expected largely due to reduced local authority top-up following the departure of two pupils in October 2020, although a new pupil helped to offset this from November 2020. The discontinuation of Year 7 Catch-up Premium was also a contributory factor. Revenue expenditure over the year was over-budget with three main reasons for this: increased use of educational support staff via agencies, partly as a result of COVID-19; increased recruitment costs to ensure effective replacement of middle-leader teachers leaving at the end of the year; increased cleaning costs due to continued COVID-19 related safety measures. The compound effect of reduced revenue funding and increased revenue expenditure resulted in the revenue deficit for the year of £29,000.

Despite the in-year revenue deficit, revenue reserves before LGPS deficit remain healthy at £187,000. The Fixed Asset Fund balance reduced from £47,000 to £nil as expected due to the spending of grants during the year that were received from the St Marylebone Educational Foundation in the previous year.

STRATEGIC REPORT (continued)

Reserves policy

During 2019/20 the Academy established a reserves policy that requires a minimum level of restricted revenue reserves, before deduction of the pension deficit, of 3% of restricted revenue expenditure plus 1/7th of the value of the LGPS pension deficit. As at 31 August 2021, this equates to a minimum balance of £138,000 (2020 – £95,000) (£59,000 plus £79,000 in respect of the pension deficit). As at 31 August 2021, the restricted revenue reserves excluding pension deficit totalled £187,000 (2020 – £216,000).

Whilst it is acknowledged that the LGPS pension deficit has not crystallised, the increase will inform future contribution levels and this policy aims to mitigate the impact of higher contribution levels that may be imposed.

Financial and risk management objectives and policies

The Governors, with assistance from the Audit and Risk Committee, review the Academy's risk register on a regular basis. Policy development and maintenance is informed by this review.

Investment policy

At each of its meetings, the Finance and Premises Committee reviews the level of funds held. Throughout the period these funds were held at HSBC Bank plc.

The Finance and Premises Committee will approve any changes to the organisations and/or accounts in which the Academy's funds are invested. However, in doing so they will take a low risk approach to investment, particular at a time when investment returns are low, in order to protect the funds generated to date for the benefit of future years.

PRINCIPAL RISKS AND UNCERTAINTIES

With a maximum capacity likely to remain at the current 60 places, until permanent premises are available, the revenue budget for operating the Academy is very tight. As a new school without historic reserves, cashflow is also a key risk and we are reliant on timely monthly payments from the ESFA and from the local authorities that we serve. The Governors are acutely aware of these risks but are confident that the Finance Department monitors the budget and cashflow as their highest priority. Good management of the Project Development Grant during the pre-opening phase ensured that there was a modest cash reserve available for the start of the Academy's first academic year. This reserve has helped and continues to help to mitigate these financial risks. New permanent premises will be available for the academic year 2022/23 and this will enable an increase to 70 places over time, improving the financial viability of the Academy Trust.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The financial viability of the school is dependent on successful annual re-negotiation of top-up rates with each local authority that commissions places. Without this annual re-negotiation, inflationary increases to operating costs, in particular staffing costs would not be covered. Given that the Education and Skills Funding Agency has not increased funding per place since the school opened in 2013, the responsibility for ensuring continued financial viability lies with the local authorities although we acknowledge that there are many pressures on their High Needs Budgets.

FUNDRAISING

The Academy does not actively engage in public fundraising activities and does not utilise any third party organisations to fundraise on its behalf. Donations and grants are secured from time to time through the generosity of its supporters, and these are hugely appreciated.

FUTURE ACTIVITIES AND PLANS

The Academy continues to work with the Education and Skills Funding Agency and with Westminster City Council in order to ensure a seamless handover to new permanent premises in 2022. Governors are very grateful for their continued support. We look forward to taking possession and developing pupils' skills and enhancing their educational experience when we move into these custom-built premises. A very exciting prospect for the future.

We are continuously looking at developing our curriculum and how best to support our pupils post 16. We are currently working with 4 primary schools, supporting their Speech and Language provision. In the future we will look at how we can offer the same support within the local KS5 provisions.

We continue to develop our careers program in line with the Gatsby Benchmarks (<http://www.gatsby.org.uk/education/focus-areas/good-career-guidance>) which allows all year groups to experience encounters with employers. It has been fantastic to have our enterprise week back in full swing with a variety of skilled professionals coming in to speak to our pupils about the many different work possibilities. We are determined to make the 2021/22 school year as 'normal' as possible and to ensure that pupils do not miss out on opportunities, especially those that support life learning skills and develop an understanding of the wider world.

The range of complexity of our pupils continues to increase. We continue to refine and develop our knowledge and expertise to better support the wider needs of pupils joining us.

AUDITOR

In so far as the Governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by resolution of the Governors and signed on their behalf by:



Chairman of the Board of Governors

Date: 30th November 2021

Margaret Mountford

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Head of School, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Academy and the Secretary of State for Education. The Head of School is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

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

The information on governance included here supplements that described in the Governors' report and in the statement of Governors' responsibilities. The Board of Governors has formally met six times during the period. Attendance during the year at meetings of the Board of Governors was as follows:

| Governor | Meetings attended | Out of a possible |
|---|--------------------------|--------------------------|
| Dr Margaret Mountford (Chairman) | 6 | 6 |
| Mrs Clare Alexander | 5 | 6 |
| Mrs Harriet Capon | 5 | 6 |
| Ms Elizabeth Carey | 6 | 6 |
| Reverend Stephen Evans | 5 | 6 |
| Mr Steven Larcombe | 6 | 6 |
| Ms Siri Lewis | 5 | 6 |
| Mrs Eliza Low | 6 | 6 |
| Miss Kate Miller (Head of School) | 6 | 6 |
| Mrs Natalie Palmer | 5 | 6 |
| Ms Kathryn Pugh (Executive Headteacher) | 6 | 6 |
| Mr Alistair Watson | 6 | 6 |

The Board of Governors maintains effective oversight over the Academy Trust's finances by meeting six times per year and reviewing the reports of its dedicated Finance and Premises and Audit and Risk Committees, which meet six and three times per year, respectively.

Governance (continued)**Governance reviews**

The composition and effectiveness of the Board of Governors is reviewed annually. The Academy Trust is very fortunate to have a strong Board, the composition of which is consistent with the Articles of Association and brings a broad and varied knowledge and experience base to both full Board and Committee meetings. The Ofsted inspection report acknowledged and confirmed the strong governance in place. The Governors have a clear commitment to the provision of high quality education to pupils with speech, language and communication needs.

There will be a further review of the composition and effectiveness of the Board of Governors during the academic year 2021/22.

The Finance and Premises Committee is a sub-committee of the main Board of Governors, consisting of six of those Governors. Its purpose is to support the Board in making decisions concerning the Academy's finances within the Committee's Terms of Reference. The Finance and Premises Committee has formally met six times during the year. Attendance during the year at meetings of the Committee was as follows:

| Governor | Meetings attended | Out of a possible |
|-----------------------------------|--------------------------|--------------------------|
| Ms Elizabeth Carey (Chairman) | 6 | 6 |
| Reverend Stephen Evans | 4 | 6 |
| Mr Steven Larcombe | 6 | 6 |
| Dr Margaret Mountford | 6 | 6 |
| Miss Kate Miller (Head of School) | 6 | 6 |
| Mr Alistair Watson | 6 | 6 |

The Audit and Risk Committee is a sub-committee of the main Board of Governors, consisting of five of the governors. Its purpose is to ensure that there is an appropriate system of internal control in place, that it is implemented and reviewed, and to recommend the audit plan and financial statements for approval by the Board of Governors. The Audit and Risk Committee formally met three times during the period, attendance was as follows:

| Governor | Meetings attended | Out of a possible |
|---|--------------------------|--------------------------|
| Ms Elizabeth Carey | 3 | 3 |
| Mr Steven Larcombe (Chairman) | 3 | 3 |
| Mrs Eliza Low | 1 | 3 |
| Dr Margaret Mountford | 3 | 3 |
| Ms Kathryn Pugh (Executive Headteacher) | 2 | 3 |

Whilst most meetings during the year have taken place virtually, all planned Board and Committee meetings have taken place despite the pandemic and therefore Governors do not believe that the pandemic has had a significant detrimental impact on governance.

Review of value for money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered and improved value for money during the year as follows:

Core funding for the school from the Education and Skills Funding Agency and from local authorities is modest as a result of the small pupil count. It is therefore of paramount importance to ensure that those funds are well managed and used only for expenditure that derives most benefit to pupils. There are regular meetings for senior staff to closely analyse curriculum spending to ensure any money spent has a direct impact on pupils achievement and engagement. The Finance Team ensure that high standards of probity are maintained and that all purchasing follows public procurement guidelines. Procurement Policy Notes 02/20 and 04/20 have been considered and the Academy Trust has sustained contractual payments to suppliers when service levels have been adversely affected by COVID-19. The Academy Trust has not made use of the furlough scheme given that Government funding has been maintained. The Academy Trust does not consider that the impact of COVID-19 on value for money obtained has been significant during the period.

To supplement these core funds, over the past year additional funding has been secured for a range of initiatives. We have been very fortunate to have benefitted from support from the Jack Petchey Foundation, St Marylebone Educational Foundation, Westminster Young People's Fund, London Sport, Family Action and the Royal College of Speech and Language Therapists. The Academy is hugely grateful for the contributions from these organisations, all of whom have enabled an enriched educational experience for pupils.

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 ongoing process designed to identify and prioritise the risks to the achievement of the Academy's 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 at the Academy for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors 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 Governors 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 ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

The risk and control framework

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

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

The Board of Governors have noted changes within the Academies Financial Handbook 2020 and have as a result changed the name of the Audit Committee to Audit & Risk Committee from September 2020. The impact of changes to the Financial Reporting Council's Ethical Standard have also been considered and as a result the Academy Trust no longer uses their statutory audit firm for the internal assurance checks. The Board of Governors have appointed Schools Choice as an independent internal auditor for 2020/21. The Governors have also appointed a Responsible Officer ('RO'). The RO's role, performed by Mr Alistair Watson during the year, included the selection of a suitable internal audit firm and liaising with them to agree a scheme of work.

Review of effectiveness

As Accounting Officer, the Head of School 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 Responsible Officer;
- ◆ the work of the Audit and Risk Committee;
- ◆ the work of the external auditor;
- ◆ the financial management and governance self assessment process;
- ◆ the work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Audit and Risk Committee of the implications of their review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

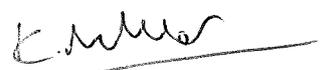
Approved by order of the Board of Governors and signed on its behalf by:



(Chairman of Board of Governors)

Approved on: 30th November 2021

Margaret Mountford



(Accounting Officer)

Kate Miller

As Accounting Officer of The St Marylebone Church of England Bridge School, I have considered my responsibility to notify the Academy Trust's Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's Board of Governors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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

Accounting Officer



Date: 30th November 2021

Kate Miller

The Governors (who act as trustees of the Academy Trust and are also the directors of the Academy Trust for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency (ESFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Academy Trust and of its income and expenditure for that period. In preparing these financial statements, the Governors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in operation.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in its conduct and operation the Academy Trust 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 the ESFA/DfE have been applied for the purposes intended.

The Governors are responsible for the maintenance and integrity of the charity and financial information included on the Academy Trust'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 Board of Governors and signed on its behalf by:


Chairman of Board of Governors

Date: 30th November 2021

Margaret Mountford

Independent auditor's report to the Members of The St Marylebone Church of England Bridge School

Opinion

We have audited the financial statements of The St Marylebone Church of England Bridge School (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Conclusions relating to going concern (continued)

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Governors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Governors' report which is also the directors' report for the purposes of company law and includes the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Governors' report which is also the directors' report for the purposes of company law and includes the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Matters on which we are required to report by exception (continued)

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 Governors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the Governors' responsibilities statement, the Governors' (who are also the directors 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 Governors' 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 Governors' are responsible for assessing the charitable company'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 Governors' either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of Governors' meetings and papers provided to the Governors'.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of Governors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Governors' and other management and the inspection of regulatory and legal correspondence, if any.

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 auditor's report.

Use of our report

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

Buzzacott LLP

Catherine Biscoe, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 19 December 2021

Independent reporting accountant's assurance report on regularity to The St Marylebone Church of England Bridge School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 8 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The St Marylebone Church of England Bridge School during the period from 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The St Marylebone Church of England Bridge School's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The St Marylebone Church of England Bridge School's grant funding agreement with the Secretary of State for Education dated 26 September 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA.

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.

Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

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

Buzzacott LLP

Reporting Accountant
Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 19 December 2021

Statement of financial activities (including an income and expenditure account) Year to 31 August 2021 **DRAFT**

| | Notes | Unrestricted general fund £'000 | Restricted funds | | | 2021 Total Funds £'000 | 2020 Total Funds £'000 |
|---|-------|--|-----------------------|-------------------------|----------------------------------|---------------------------------|---------------------------------|
| | | | ESFA fund £'000 | Other funds £'000 | Fixed assets fund £'000 | | |
| Income from: | | | | | | | |
| Donations and capital grants | 1 | — | — | 13 | 20 | 33 | 55 |
| Charitable activities | | | | | | | |
| Funding for the Academy's educational operations | 2 | 53 | 678 | 1,029 | — | 1,760 | 1,614 |
| Total income | | 53 | 678 | 1,042 | 20 | 1,793 | 1,669 |
| Expenditure on: | | | | | | | |
| Charitable activities: | | | | | | | |
| Academy's educational operations | 4 | 53 | 816 | 1,136 | 2 | 2,007 | 1,708 |
| Total expenditure | 3 | 53 | 816 | 1,136 | 2 | 2,007 | 1,708 |
| Net (expenditure) income before transfers | | — | (138) | (94) | 18 | (214) | (39) |
| Transfers between funds | 13 | — | — | 65 | (65) | — | — |
| Net expenditure | | — | (138) | (29) | (47) | (214) | (39) |
| Other recognised gains and losses | | | | | | | |
| Actuarial (losses) gains on defined benefit pension schemes | 15 | — | (98) | — | — | (98) | 73 |
| Net movement in funds | | — | (236) | (29) | (47) | (312) | 34 |
| Reconciliation of funds | | | | | | | |
| Fund balances brought forward at 1 September 2020 | | — | (318) | 216 | 47 | (55) | (89) |
| Fund balances carried forward at 31 August 2021 | | — | (554) | 187 | — | (367) | (55) |

All of the Academy Trust's income derived from continuing operations in the above two financial periods.

The School has no recognised gains or losses other than those shown above.

| | Notes | 2021 £'000 | 2021 £'000 | 2020 £'000 | 2020 £'000 |
|--|-------|---------------|---------------|---------------|---------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 9 | | — | | 2 |
| Current assets | | | | | |
| Debtors | 10 | 289 | | 248 | |
| Cash at bank and in hand | | 40 | | 298 | |
| | | <u>329</u> | | <u>546</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 11 | (142) | | (285) | |
| Net current assets | | | <u>187</u> | | <u>261</u> |
| Net assets excluding pension scheme liability | | | | | |
| | | | <u>187</u> | | <u>263</u> |
| Pension scheme liability | 15 | | (554) | | (318) |
| Total net (liabilities) assets | | | <u>(367)</u> | | <u>(55)</u> |
| Funds of the Academy | | | | | |
| Restricted funds | | | | | |
| . Fixed assets fund | | | — | | 47 |
| . Restricted ESFA fund | | | — | | — |
| . Other restricted funds | | | 187 | | 216 |
| . Pension reserve | | | (554) | | (318) |
| Total restricted funds | | | <u>(367)</u> | | <u>(55)</u> |
| Unrestricted income funds | | | | | |
| . General fund | | | — | | — |
| Total funds | | | <u>(367)</u> | | <u>(55)</u> |

The financial statements on pages 31 to 54 were approved by the Governors, authorised for issue and are signed on their behalf by:



Chairman of Board of Governors

Margaret Mountford

Date: 30th November 2021

The St Marylebone Church of England Bridge School
Company Limited by Guarantee
Registration Number: 08270125 (England and Wales)

| | | 2021 £'000 | 2020 £'000 |
|--|---|---------------|---------------|
| Net cash flows from operating activities | | | |
| Net cash (used in) provided by operating activities | A | (278) | 24 |
| Cash flows from investing activities | B | 20 | 52 |
| Change in cash and cash equivalents in the year | | (258) | 76 |
| Reconciliation of net cash flow to movement in net funds: | | | |
| Cash and cash equivalents at 1 September 2020 | | 298 | 222 |
| Cash and cash equivalents at 31 August 2021 | C | 40 | 298 |

A. Reconciliation of net expenditure to net cash flow from operating activities

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Net expenditure for the year (as per the statement of financial activities) | (214) | (39) |
| Adjusted for: | | |
| Depreciation (note 10) | 2 | 17 |
| Capital grants from DfE and other capital income | (20) | (52) |
| Defined benefit pension scheme cost less contributions payable (note 16) | 133 | 93 |
| Defined benefit pension scheme finance cost (note 16) | 5 | 5 |
| (Increase) in debtors | (41) | (11) |
| (Decrease) increase in creditors | (143) | 11 |
| Net cash (used in) provided by operating activities | (278) | 24 |

B. Cash flows from investing activities

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Capital grants from DfE/ESFA and other capital income | 20 | 52 |
| Net cash provided by investing activities | 20 | 52 |

C. Analysis of changes in net debt

| | 2020 £'000 | Cash flow £'000 | 2021 £'000 |
|--|---------------|--------------------|---------------|
| Cash at bank and in hand | 298 | (258) | 40 |
| Total cash and cash equivalents | 298 | (258) | 40 |

Statement of accounting policies

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

Basis of preparation

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

The St Marylebone Church of England Bridge School meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling and rounded to the nearest thousand pounds.

Going concern

The Governors 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 Trust to continue as a going concern. The Governors 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst the Academy Trust Balance Sheet shows net liabilities of £367,000 (2020 – £55,000), this is due entirely to the LGPS pension deficit of £554,000 (2020 – £318,000). Net assets excluding the LGPS pension deficit were £187,000 (2020 – £263,000) and the Academy Trust's operating deficit for the period was £29,000 (2020 surplus – £31,000), reducing revenue reserves carried forward, excluding LGPS deficit, of £187,000 (2020: £216,000). The Academy Trust's reserves policy ensures that the level of revenue reserves maintained reflects the level of both revenue expenditure and the LGPS pension deficit.

The Governors have considered the impact of the current Coronavirus pandemic on the Academy Trust's operations. While they acknowledge the disruption caused by the pandemic to the Academy Trust's day-to-day operations, they do not consider the pandemic to be cause for material uncertainty in respect to the Academy Trust's ability to continue as a going concern.

Going concern (continued)

The Academy Trust has and is continuing to develop contingency plans which are being implemented successfully and the Governors have therefore concluded that the Academy Trust has sufficient resources to continue for the foreseeable future, despite the current situation, and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus, the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

The 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 period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

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 (continued)**Charitable activities**

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

All expenditure is stated net of recoverable VAT.

Tangible fixed assets

The school building at Third Avenue is a temporary site, made available to the Academy by the Lord Mayor and Citizens of the City of Westminster. Given the short-term nature of the occupation, no value has been included for these buildings in these financial statements, other than the cost of improvements carried out during previous periods, which amounted to a cost of £86,736.

The school buildings at Blandford Street are available to the Academy for use under a licence agreement, the parties to which are the Academy, its parent company The St Marylebone Church of England School, and the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone. The latter party holds an agreement for lease from The Lord Mayor and citizens of the City of Westminster who in turn hold a head lease from the Howard de Walden Estate. As such, no value has been included for these buildings in the financial statements other than the cost of improvements carried out during previous periods, at a cost of £140,989.

The continuing permission of the Rector and Churchwardens is pursuant to, and subject to, their charitable objects and is part of the Church of England's contribution to provide state funded education in partnership with the government. The licence delegates aspects of the management of the land (and buildings) to the Academy for the time being, but does not vest any rights over the land in the Academy. Having considered the factual matrix under which the Academy is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy will not be recognised on the balance sheet.

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Tangible fixed assets (continued)

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

| | |
|-------------------------|---------------|
| Building improvements | 20% per annum |
| Furniture and equipment | 20% per annum |
| Motor vehicles | 20% per annum |

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.

Liabilities

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

Leased assets

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

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

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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 15, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

Fund accounting

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

Fund accounting (continued)

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

Restricted ESFA funds comprise all grants received from the Education and Skills Funding Agency.

Other restricted funds comprise all other restricted funds received and include grants from the Local Authority, Westminster City Council.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 15, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

1 Donations and capital grants

| | Unrestricted funds £'000 | Restricted general funds £'000 | Restricted fixed assets funds £'000 | 2021 Total funds £'000 | 2020 Total funds £'000 |
|-----------------|--------------------------------|---|--|---------------------------------|---------------------------------|
| Capital grants | — | — | 20 | 20 | 6 |
| Other donations | — | 13 | — | 13 | 49 |
| | — | 13 | 20 | 33 | 55 |

| | Unrestricted funds £'000 | Restricted general funds £'000 | Restricted fixed assets funds £'000 | 2020 Total funds £'000 |
|-----------------|--------------------------------|---|--|---------------------------------|
| Capital grants | — | — | 6 | 6 |
| Other donations | 3 | — | 46 | 49 |
| | 3 | — | 52 | 55 |

2 Funding for Academy's educational operations

| | Unrestricted funds £'000 | Restricted funds £'000 | 2021 Total funds £'000 | 2020* Total funds £'000 |
|---|--------------------------------|------------------------------|---------------------------------|----------------------------------|
| DfE / ESFA revenue grant | | | | |
| . General Annual Grant (GAG) | — | 600 | 600 | 601 |
| . Pupil Premium | — | 45 | 45 | 56 |
| . Others | — | 17 | 17 | 20 |
| | — | 662 | 662 | 677 |
| Other government grants | | | | |
| . Local authority grants | — | 1,028 | 1,028 | 926 |
| | — | 1,028 | 1,028 | 926 |
| Other income from the Academy Trust's educational operations | 53 | 1 | 54 | 11 |
| COVID-19 additional funding (DfE/ESFA) | | | | |
| Catch-up premium | — | 14 | 14 | — |
| Other DfE/ESFA COVID-19 funding | — | 2 | 2 | — |
| | 53 | 1,707 | 1,760 | 1,614 |

The trust received £14,400 of funding for catch-up premium and costs incurred in respect of this funding totalled £14,400.

*Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

2 Funding for Academy's educational operations (continued)

| | <i>Unrestricted funds £'000</i> | <i>Restricted funds £'000</i> | <i>2020 Total funds £'000</i> |
|---|---|---------------------------------------|---|
| <i>DfE / ESFA revenue grant</i> | | | |
| . General Annual Grant (GAG) | — | 601 | 601 |
| . Pupil Premium | — | 56 | 56 |
| . Others | — | 20 | 20 |
| | — | 677 | 677 |
| <i>Other government grants</i> | | | |
| . Local authority grants | — | 926 | 926 |
| | | 926 | 926 |
| <i>Other income from the Academy Trust's educational operations</i> | 10 | 1 | 11 |
| | 10 | 1,604 | 1,614 |

3 Expenditure

| | <i>Staff costs (note 7) £'000</i> | <i>Non-pay expenditure</i> | | 2021 Total funds £'000 |
|--|---|----------------------------|----------------------------------|---|
| | | <i>Premises £'000</i> | <i>Other costs £'000</i> | |
| <i>Academy's educational operations (note 4)</i> | | | | |
| . Direct costs | 1,600 | — | 73 | 1,673 |
| . Support costs | 169 | 71 | 94 | 334 |
| Total Expenditure | 1,769 | 71 | 167 | 2,007 |

| | <i>Staff costs (note 7) £'000</i> | <i>Non-pay expenditure</i> | | <i>2020 Total funds £'000</i> |
|--|---|----------------------------|----------------------------------|---|
| | | <i>Premises £'000</i> | <i>Other costs £'000</i> | |
| <i>Academy's educational operations (note 4)</i> | | | | |
| . Direct costs | 1,331 | — | 45 | 1,376 |
| . Support costs | 155 | 90 | 87 | 332 |
| Total Expenditure | 1,486 | 90 | 132 | 1,708 |

*Following a review of the split of staff costs between direct and support costs, the academy trust's expenditure on Educational Support staff have been included within direct costs instead of support costs. The prior year numbers have been reclassified.

3 Expenditure (continued)

| | 2021 Total funds £'000 | 2020 Total funds £'000 |
|--|---|---|
| Expenditure during the year includes: | | |
| Fees payable to auditor | | |
| . Statutory audit | 5 | 5 |
| Depreciation | 2 | 17 |

4 Charitable activities – Academy's educational operations

| | 2021 Total funds £'000 | 2020 Total funds £'000 |
|---------------|---|---|
| Direct costs | 1,673 | 1,376 |
| Support costs | 334 | 332 |
| | 2,007 | 1,708 |

| | 2021 Total funds £'000 | 2020 Total funds £'000 |
|----------------------------------|---|---|
| Analysis of support costs | | |
| Support staff costs | 169 | 155 |
| Depreciation | 2 | 17 |
| Technology costs | 22 | 20 |
| Premises costs | 71 | 73 |
| Other support costs | 62 | 59 |
| Governance costs (note 5) | 8 | 8 |
| Total support costs | 334 | 332 |

Governance costs

| | Unrestricted funds £'000 | Restricted funds £'000 | 2021 Total funds £'000 | 2020 Total funds £'000 |
|-----------------------------------|--------------------------------|------------------------------|---|---|
| Auditor's remuneration: | | | | |
| . Audit of financial statements | — | 5 | 5 | 5 |
| Other Legal and professional fees | — | 3 | 3 | 3 |
| | — | 8 | 8 | 8 |

| | Unrestricted funds £'000 | Restricted funds £'000 | 2020 Total funds £'000 |
|-----------------------------------|--------------------------------|------------------------------|---|
| Auditor's remuneration: | | | |
| . Audit of financial statements | — | 5 | 5 |
| Other Legal and professional fees | — | 3 | 3 |
| | — | 8 | 8 |

5 Comparative information

Analysis of income and expenditure in the year ended 31 August 2020 between restricted and unrestricted funds:

| | Unrestricted general fund £'000 | Restricted funds | | | 2020 Total Funds £'000 |
|--|--|-----------------------|-------------------------|----------------------------------|---------------------------------|
| | | ESFA fund £'000 | Other funds £'000 | Fixed assets fund £'000 | |
| Income from: | | | | | |
| Donations and capital grants | 3 | — | — | 52 | 55 |
| Charitable activities | | | | | |
| . Funding for the Academy's educational operations | 10 | 677 | 927 | — | 1,614 |
| Total income | 13 | 677 | 927 | 52 | 1,669 |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| . Academy's educational operations | 13 | 775 | 902 | 18 | 1,708 |
| Total expenditure | 13 | 775 | 902 | 18 | 1,708 |
| Net (expenditure) income before transfers | — | (98) | 25 | 34 | (39) |
| Transfers between funds | — | — | 6 | (6) | — |
| Net (expenditure) income | — | (98) | 31 | 28 | (39) |
| Other recognised gains and losses | | | | | |
| Actuarial gains (losses) on defined benefit pension schemes | — | 73 | — | — | 73 |
| Net movement in funds | — | (25) | 31 | 28 | 34 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward at 1 September 2019 | — | (293) | 185 | 19 | (89) |
| Fund balances carried forward at 31 August 2020 | — | (318) | 216 | 47 | (55) |

6 Staff costs**a) Staff costs**

Staff costs during the year were:

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Wages and salaries | 1,095 | 895 |
| Social security costs | 111 | 82 |
| Pension costs | 345 | 257 |
| | 1,551 | 1,234 |
| Staff costs recharged by The St Marylebone Church of England School | 58 | 158 |
| Other agency staff costs | 160 | 94 |
| | 1,769 | 1,486 |

During the year, the Academy employed its own teachers and support staff. In addition, the Academy utilised staff resources from its parent company, The St Marylebone Church of England School. Staff utilised from the parent company were recharged at cost, including social security and pension contributions.

b) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2021 was as follows:

| Charitable activities | 2021 No. | 2020 No. |
|------------------------------|-------------|-------------|
| Teaching and management | 15 | 15 |
| Administration and support | 14 | 13 |
| | 29 | 28 |

c) Higher paid staff

The number of employees whose emoluments fell within the following bands was:

| | 2021 No. | 2020 No. |
|-------------------|-------------|-------------|
| £70,001 – £80,000 | 1 | 1 |

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2021 pension contributions for this staff member amounted to £18,687 (2020 – £18,058).

d) Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the Executive Group. The total amount of employee benefits (including employee pension contributions) received by key management personnel for their services to the Academy Trust was £251,401 (2020 – £178,757).

7 Governors' remuneration and expenses

The Head of School and Staff Governors only receive remuneration in respect of services they provide in undertaking their roles as employees and not in respect of their services as Governors. The value of Governors' remuneration and other benefits, during their period in office as a Governor, was as follows:

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Miss K Miller, Head of School and Governor | | |
| . Remuneration | 75 – 80 | 75 – 80 |
| . Employer's pension contributions | 15 – 20 | 15 – 20 |
| Miss E Corbyn, Staff Governor (to 31 December 2019) | | |
| . Remuneration | 0 | 15 – 20 |
| . Employer's pension contributions | 0 | 0 – 5 |
| Miss Natalie Holmes-Lewis, Staff Governor (from 4 February 2020) | | |
| . Remuneration | 50 – 55 | 25 – 30 |
| . Employer's pension contributions | 10 – 15 | 5 – 10 |

Other Governors did not receive any payments, or expenses, from the Academy in respect of their role as Governors (2020 – none).

Other related party transactions are set out in note 18.

8 Governors' and Officers' insurance

As recommended by the Department for Education, the Academy has joined the Risk Protection Arrangement (RPA) to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Membership provides cover up to £10,000,000 on any one claim. The cost of the entire insurance package and RPA membership for the year ended 31 August 2021 was £1,080 (2020 – £1,080).

9 Tangible fixed assets

| | Leasehold improve- ments £'000 | Furniture and equipment £'000 | Motor vehicles £'000 | Total funds £'000 |
|--|---|--|----------------------------|-------------------------|
| Cost | | | | |
| At 1 September 2020 and 31 August 2021 | 228 | 90 | 38 | 356 |
| Depreciation | | | | |
| At 1 September 2020 | 228 | 88 | 38 | 354 |
| Charge in year | — | 2 | — | 2 |
| At 31 August 2021 | 228 | 90 | 38 | 356 |
| Net book value | | | | |
| At 31 August 2021 | — | — | — | — |
| At 31 August 2020 | — | 2 | — | 2 |

9 Tangible fixed assets (continued)

The school building at Third Avenue is a temporary site, made available to the Academy by the Lord Mayor and Citizens of the City of Westminster. Given the short-term nature of the occupation, no value has been included for these buildings in these financial statements, other than the cost of improvements carried out during previous periods, which amounted to a cost of £86,736 (2020 – £86,736).

The school buildings at Blandford Street are available to the Academy for use under a licence agreement, the parties to which are the Academy, its parent company The St Marylebone Church of England School, and the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone. The latter party holds an agreement for lease from The Lord Mayor and citizens of the City of Westminster who in turn hold a head lease from the Howard de Walden Estate. As such, no value has been included for these buildings in the financial statements other than the cost of improvements carried out during previous periods, at a cost of £140,989 (2020 – £140,989).

The continuing permission of the Rector and Churchwardens is pursuant to, and subject to, their charitable objects and is part of the Church of England's contribution to provide state funded education in partnership with the government. The licence delegates aspects of the management of the land (and buildings) to the Academy for the time being, but does not vest any rights over the land in the Academy. Having considered the factual matrix under which the Academy is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy will not be recognised on the balance sheet.

10 Debtors

| | 2021 £'000 | 2020 £'000 |
|--------------------------------|---------------|---------------|
| Trade debtors | 62 | 18 |
| Other debtors | 1 | — |
| Prepayments and accrued income | 226 | 230 |
| | 289 | 248 |

11 Creditors: amounts falling due within one year

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Trade creditors | 42 | 30 |
| Taxation and social security | 30 | 22 |
| Amounts due to St Marylebone Church of England School | 34 | 205 |
| Accruals and deferred income | 36 | 28 |
| | 142 | 285 |

11 Creditors: amounts falling due within one year (continued)

| | 2021 £'000 | 2020 £'000 |
|-------------------------------------|---------------|---------------|
| Deferred income (included above) | | |
| Deferred income at 1 September 2020 | 21 | 46 |
| Released during the year | — | (25) |
| Resources deferred during the year | — | — |
| Deferred income at 31 August 2021 | <u>21</u> | <u>21</u> |

Deferred income consists £21,333 (2020 – £21,333 and 2019 – £18,253) in respect of capital grant for which entitlement to recognise as income has not materialised.

12 Funds

| | Balance at 1 September 2020 £'000 | Income £'000 | Expenditure £'000 | Transfers, gains and losses £'000 | Balance at 31 August 2021 £'000 |
|--------------------------------------|--|-----------------|----------------------|---|--|
| Restricted ESFA funds | | | | | |
| . General Annual Grant (GAG) | — | 600 | (600) | — | — |
| . Pupil Premium | — | 45 | (45) | — | — |
| . Catch-up premium | — | 14 | (14) | — | — |
| . Coronavirus exceptional support | — | 2 | (2) | — | — |
| . Other grants | — | 17 | (17) | — | — |
| . Pension reserve | (318) | — | (138) | (98) | (554) |
| | <u>(318)</u> | <u>678</u> | <u>(816)</u> | <u>(98)</u> | <u>(554)</u> |
| Other restricted funds | | | | | |
| Local authority grants | 216 | 1,028 | (1,136) | — | 108 |
| Other restricted funds | — | 14 | — | 65 | 79 |
| | <u>216</u> | <u>1,042</u> | <u>(1,136)</u> | <u>65</u> | <u>187</u> |
| Fixed assets fund | | | | | |
| . DfE/ESFA capital grants | 1 | 20 | (2) | (19) | — |
| . Private sector capital sponsorship | 46 | — | — | (46) | — |
| | <u>47</u> | <u>20</u> | <u>(2)</u> | <u>(65)</u> | <u>—</u> |
| Total restricted funds | <u>(55)</u> | <u>1740</u> | <u>(1954)</u> | <u>(98)</u> | <u>(367)</u> |
| Unrestricted funds | | | | | |
| . General funds | — | 53 | (53) | — | — |
| Total unrestricted funds | <u>—</u> | <u>53</u> | <u>(53)</u> | <u>—</u> | <u>—</u> |
| Total funds | <u>(55)</u> | <u>1793</u> | <u>(2,007)</u> | <u>(98)</u> | <u>(367)</u> |

12 Funds (continued)

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

ESFA revenue grant fund and other restricted funds

ESFA grants consist of monies received for the operation of the School. Local authority top-up funding consists of monies received for the operation of the Academy.

General Annual Grant

Under the funding agreement with the Secretary of State, the Academy was not subject to a limited amount of GAG that it could carry forward at 31 August 2021.

Restricted fixed asset fund

Restricted fixed asset funds represent capital grants receivable, for the purchase of capital items, less depreciation charged in the period.

Transfers between funds

The Academy transferred £65,000 (2020 – £6,000) from the Fixed Assets fund to cover eligible spend, in respect of items not treated as fixed assets, included within other restricted expenditure.

12 Funds (continued)

Comparative information

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

| | Balance at 1 September 2019 £'000 | Income £'000 | Expenditure £'000 | Transfers, gains and losses £'000 | Balance at 31 August 2020 £'000 |
|--------------------------------------|--|-----------------|----------------------|---|--|
| Restricted ESFA funds | | | | | |
| . General Annual Grant (GAG) | — | 601 | (601) | — | — |
| . Pupil Premium | — | 56 | (56) | — | — |
| . Other grants | — | 20 | (20) | — | — |
| . Pension reserve | (293) | — | (98) | 73 | (318) |
| | <u>(293)</u> | <u>677</u> | <u>(775)</u> | <u>73</u> | <u>(318)</u> |
| Other restricted funds | | | | | |
| . Local authority grants | 185 | 927 | (902) | 6 | 216 |
| | <u>185</u> | <u>927</u> | <u>(902)</u> | <u>6</u> | <u>216</u> |
| Fixed assets fund | | | | | |
| . DfE/ESFA capital grants | 19 | 6 | (18) | (6) | 1 |
| . Private sector capital sponsorship | — | 46 | — | — | 46 |
| | <u>19</u> | <u>52</u> | <u>(18)</u> | <u>(6)</u> | <u>47</u> |
| Total restricted funds | <u>(89)</u> | <u>1,656</u> | <u>(1,695)</u> | <u>73</u> | <u>(55)</u> |
| Unrestricted funds | | | | | |
| . General funds | — | 13 | (13) | — | — |
| Total unrestricted funds | <u>—</u> | <u>13</u> | <u>(13)</u> | <u>—</u> | <u>—</u> |
| Total funds | <u>(89)</u> | <u>1,669</u> | <u>(1,708)</u> | <u>73</u> | <u>(55)</u> |

13 Analysis of net assets between funds

| | Unrestricted fund £'000 | Restricted general funds £'000 | Restricted fixed asset fund £'000 | Total 2021 £'000 |
|--|-------------------------------|---|--|------------------------|
| Fund balances at 31 August 2021 are represented by: | | | | |
| Tangible fixed assets | — | — | — | — |
| Current assets | — | 329 | — | 329 |
| Current liabilities | — | (142) | — | (142) |
| Pension scheme liability | — | (554) | — | (554) |
| Total net liabilities | <u>—</u> | <u>(367)</u> | <u>—</u> | <u>(367)</u> |

13 Analysis of net assets between funds (continued)

| | <i>Unrestricted fund £'000</i> | <i>Restricted general funds £'000</i> | <i>Restricted fixed asset fund £'000</i> | <i>Total 2020 £'000</i> |
|--|--|---|--|---------------------------------|
| Fund balances at 31 August 2020 are represented by: | | | | |
| <i>Tangible fixed assets</i> | — | — | 2 | 2 |
| <i>Current assets</i> | — | 501 | 45 | 546 |
| <i>Current liabilities</i> | — | (285) | — | (285) |
| <i>Pension scheme liability</i> | — | (318) | — | (318) |
| Total net liabilities | — | (102) | 47 | (55) |

14 Members' liability

Each member of the Academy Trust 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.

15 Pension and similar obligations

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

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

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

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

Teachers' Pension Scheme

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.

15 Pension and similar obligations (continued)**Valuation of the Teachers' Pension Scheme**

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

- ◆ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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; and
- ◆ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £147,178 (2020 – £117,923).

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

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

15 Pension and similar obligations (continued)**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £95,000 (2020 – £70,000), of which employer's contributions totalled £70,000. (2020 – £51,000) and employees' contributions totalled £25,000 (2020 – £19,000).

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event the School's 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 | At 31 August 2021 | At 31 August 2020 |
|--|----------------------------------|----------------------------------|
| Rate of increase in salaries | 3.85% | 3.20% |
| Rate of increase for pensions in payment / inflation | 2.85% | 2.20% |
| Discount rate for scheme liabilities | 1.70% | 1.65% |
| Inflation assumption (CPI) | 2.60% | 2.20% |
| Commutation of pensions to lump sums | 50.00% | 50.00% |

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

| | At 31 August 2021 Years | At 31 August 2020 Years |
|-----------------------------|--|--|
| <i>Retiring today</i> | | |
| Males | 21.6 | 21.8 |
| Females | 24.3 | 24.4 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.9 | 23.2 |
| Females | 25.7 | 25.9 |

| Sensitivity analysis – impact on the net pension liability arising from a change in assumptions | At 31 August 2021 £'000 | At 31 August 2020 £'000 |
|--|--|--|
| Discount rate +0.1% | (36) | (22) |
| Discount rate -0.1% | 37 | 23 |
| Mortality assumption – 1 year increase | 40 | 24 |
| Mortality assumption – 1 year decrease | (38) | (23) |

15 Pension and similar obligations (continued)**Local Government Pension Scheme (LGPS)** (continued)

The Academy's share of the assets and liabilities in the scheme were:

| | Fair value at 31 August 2021 £'000 | Fair value at 31 August 2020 £'000 |
|--|---|--|
| Equities | 368 | 240 |
| Bonds | — | 48 |
| Other Bonds | 62 | 30 |
| Property | 31 | 2 |
| Cash and other liquid assets | 18 | — |
| Total market value of assets | 479 | 320 |
| Present value of scheme liabilities | | |
| · Funded | (1,033) | (638) |
| Deficit in scheme | (554) | (318) |

The actual return on scheme assets was £64,000 (2020 – £26,000).

| | 2021 £'000 | 2020 £'000 |
|--|-----------------------|---------------|
| Amounts recognised in statement of financial activities | | |
| Current service cost | 203 | 144 |
| Interest cost | 11 | 10 |
| Total operating charge | 214 | 154 |
| Analysis of pension finance | | |
| Expected return on pension scheme assets | 6 | 5 |
| Interest on pension liabilities | (11) | (10) |
| Pension finance costs | (5) | (5) |

| Changes in the present value of defined benefit obligations were as follows: | 2021 £'000 | 2020 £'000 |
|---|-----------------------|---------------|
| At 1 September 2020 | 638 | 514 |
| Current service cost | 203 | 144 |
| Interest cost | 11 | 10 |
| Employee contributions | 25 | 19 |
| Actuarial Gain | 156 | (49) |
| At 31 August 2021 | 1,033 | 638 |

15 Pension and similar obligations (continued)**Local Government Pension Scheme (LGPS) (continued)**

| Changes in the fair value of the Academy's share of scheme assets: | 2021 £'000 | 2020 £'000 |
|---|-----------------------|-----------------------|
| Fair value of scheme assets at 1 September 2020 | 320 | 221 |
| Interest income | 6 | 5 |
| Return on assets less interest | 58 | 21 |
| Other actuarial gains | — | 3 |
| Employer contributions | 70 | 51 |
| Employee contributions | 25 | 19 |
| Fair value of scheme assets at 31 August 2021 | 479 | 320 |

16 Ultimate control

The St Marylebone Church of England School, a Charitable Company registered in England and Wales (Company Registration Number 07719620), is the ultimate parent undertaking of The St Marylebone Church of England Bridge School. The parent company exercises control by virtue of its ability to appoint the majority of Governors within the subsidiary company.

17 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the Governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The financial statements do not include disclosure of transactions between the Academy Trust and The St Marylebone Church of England School. This is because, as the Academy Trust is under the control of The St Marylebone Church of England School, the Academy Trust is treated as a subsidiary and is exempt from the requirement to disclose such transactions under Financial Reporting Standard 102.

Consolidated accounts for the Group are available from the Academy Trust's registered office, as listed on page 1.

Other than those transactions set out in note 8 to these financial statements, no related party transactions took place during the period of account.