

REGISTERED COMPANY NUMBER: 08563153 (England and Wales)

**Koinonia Academies Trust
(A Company Limited by Guarantee)**

**Trustees' Report and
Financial Statements for the Year Ended 31 August 2021**

Harris & Co Limited
Chartered Accountants & Statutory Auditor
Marland House
13 Huddersfield Road
Barnsley
South Yorkshire
S70 2LW

Koinonia Academies Trust

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Koinonia Academies Trust

**Reference and Administrative Details
for the Year Ended 31 August 2021**

MEMBERS	Rev C Dawson Mr H Thomas Rev K Cribb
TRUSTEES	Rev K Cribb, Chairperson Rev C Dawson Ms C Thomas Mrs S Moxon
SENIOR LEADERSHIP TEAM (Porter Croft Church of England Primary School)	Mrs C Thomas, Headteacher and Accounting Officer Miss S Holman, Deputy Headteacher Mrs H Ray, Literacy Co-ordinator Miss R Hocking, SEN Co-ordinator Mrs S Moxon, School Business Manager
PRINCIPAL AND REGISTERED OFFICE	Porter Croft C of E Primary Academy Pomona Street Sheffield South Yorkshire S11 8JN
REGISTERED COMPANY NUMBER	08563153 (England and Wales)
INDEPENDENT AUDITORS	Harris & Co Limited Chartered Accountants & Statutory Auditor Marland House 13 Huddersfield Road Barnsley South Yorkshire S70 2LW
BANKERS	RBS 5 Church Street Sheffield South Yorkshire S1 1HF
SOLICITORS	Lee Bolton Monier-Williams 1 The Sanctuary London SW1P 3JT

Koinonia Academies Trust
Trustees' Report
for the Year Ended 31 August 2021

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

The academy trust operates an academy for pupils aged 4 to 11 serving a wide area across the city of Sheffield. It has a capacity of 210 and had a roll of 215 in the school census in May 2021.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Koinonia Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Koinonia Academies Trust, which currently includes one academy school, Porter Croft Church of England Primary Academy.

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

Members' Liability

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

Directors, Member and Governors Indemnities

The Academy Trust has purchased Governors and Trustees / Employment Practices Liability and Fidelity Guarantee cover. The Fidelity Guarantee also covers staff.

Method of Recruitment and Appointment or Election of Trustees

Members

The members of the company shall comprise:

- a. the signatories to the memorandum, who shall be:
 - i The Diocese of Sheffield Educational Trust acting corporately by hand of its Director;
 - ii The Incumbent; and
 - iii Rev Karen Cribb (Chair of Governors)
- b. the chairman of the Directors; and
- c. any person appointed under Article 16.

Each of the persons entitled to appoint Members shall have the right from time to time by written notice delivered to the Office to remove an member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.

Directors

The Members shall appoint a minimum of 3 Directors. The number of Directors shall be not less than 3, and is not subject to any maximum.

Governors of Porter Croft Church of England Primary Academy

The Board of Governors is made up of; Seven Foundation Governors, Two Parent Governors, One Staff Governor, One Local Authority Governor and the Headteacher. The Board of Governors also enlists the assistance of two Associate Governors who have no voting rights and are recorded in the instrument of government.

The Bishop of Sheffield shall appoint the seven Foundation Governors.

Koinonia Academies Trust

Trustees' Report for the Year Ended 31 August 2021

The Staff Governor shall be elected by staff employed by the Academy. A Staff Governor must have been employed by the Academy for at least one year and hold a permanent contract. The Governing Body makes all necessary arrangements for, and determine all other matters, relating to an election of Staff Governors. Any election of Staff Governors which is contested shall be held by secret ballot.

The Local Authority / Community Governor may be appointed by the Governing Body provided that the person who is appointed as a Community Governor is: a person who lives or works in the community served by the Academy; or a person who, in the opinion of the Governing Body is committed to the governance and success of the Academy.

The Headteacher shall be treated for all purposes as being an ex-officio governor.

Policies and Procedures Adopted for the Induction and Training of Trustees / Governors

At Porter Croft C of E Primary Academy, the Governing Body and Headteacher believe that all new governors should receive a comprehensive induction package covering a broad range of issues and topics. We are committed to ensure that the new governors are given the necessary information and support to fulfil their role with confidence. We see this as an investment, leading to more effective governance and retention of governors. We want to make new governors feel welcome to their governing body.

New governors will:

- Be welcomed to the Governing Body by the Chair
- Be invited by the Headteacher to visit the academy to experience its atmosphere and understand its ethos
- Have the opportunity to tour the academy and meet staff and children
- Receive an informal briefing of the academy from the Headteacher to explain the partnership between the Headteacher, academy and governing body
- Be encouraged to join the committee(s) of their choice
- Be given background material on the academy and current issues
- Be encouraged to ask questions about their role and or the academy
- Be encouraged to access training including induction training for governors
- Be encouraged to attend governor locality briefings held by Learn Sheffield

New governors will receive and be encouraged to read:

- The Department for Education's Governors Handbook
- Academy Prospectus
- Ofsted Report
- Last Headteachers report to governors
- List of staff, responsible areas and job titles
- List of governors' names and responsible areas (committee member etc)
- List of academy term dates
- Dates of forthcoming governing body meetings

Areas that the Headteacher will cover include:

- Background of the Academy
- Current issues facing the academy
- Visiting the Academy
- The relationship between the Headteacher and governing body

Organisational Structure

The governing body's role in the Academy is, essentially, a strategic one. Acting on the advice of the Headteacher, the governing body sets aims and objectives for the academy and policies and targets which will achieve these aims and objectives. It also monitors the progress of the academy towards the achievement of the aims and objectives, in the light of that progress, review the strategic framework it has established.

To facilitate the working of the governing body, some of its functions are delegated to committees, the Headteacher and Senior Management Team. The committees are: Finance, Leadership and Management; Premises, Behaviour and Safeguarding of pupils; Curriculum and Achievement of Pupils and Quality of Teaching.

Koinonia Academies Trust

Trustees' Report for the Year Ended 31 August 2021

The Finance, Leadership and Management Committee is responsible for matters relating to income and expenditure, financial standards, reviewing the budget, school fund monitoring, all matters relating to personnel and performance pay progression. The committee meets 6 times per year or more.

The Premises, Behaviour and Safeguarding of Pupils committee is responsible for premises issues including health and safety, pupil behaviour and safeguarding of pupils. The committee meets three times a year.

The Curriculum and Achievement of Pupils and Quality of Teaching is responsible for matters relating to exam results, pupil progress, SEN, target setting and monitoring, teaching and learning. The committee meets four times a year.

The Headteacher is responsible for: monitoring monthly expenditure, miscellaneous financial decisions; appointment of staff; dismissal of staff; suspension of staff; establishing and implementing the curriculum policy; standards of teaching; individual children's education; implementing the performance management policies; ensuring that health and safety regulations are followed; ensuring the school meets for 195 days per academic year; school prospectus; additional needs services and acting as the Academy's Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

All pay for employed key management personnel at Porter Croft CE Primary Academy is set in line with the School Teachers Pay & Conditions and the Green Book for Non-Teaching Staff. Rev K Cribb and Rev C Dawson give their time voluntarily to the Trust and receive no remuneration.

Related Parties and other Connected Charities and Organisations

The Chair of Trustees, Rev K Cribb, is also the Associate Vicar at St Mary's Church with which the Trust has very close links. There have been no transactions between Porter Croft CE Primary Academy and St Mary's Church during this period.

Huw Thomas is the Director of Education for the Diocese of Sheffield who the Trust also have close links with. Claire Dawson also a trustee has recently been nominated onto the Board of Education. Transactions have been made this year and have been declared to the ESFA. Transactions that have taken place are for training the Diocese has provided to the Leadership Team.

Huw Thomas is also on the board of the Church Burgesses for Education with which Porter Croft applies for a small grant each year based on pupil numbers from the October Census, including this year. Transactions with the above related parties are disclosed at note 22.

Objectives and Activities

Objects and Aims

The Academy Trust's object is specifically restricted to the advancement, for the public benefit, of education in the United Kingdom. Our mission is at the heart of everything we do. We aim to truly serve our community, children, families and staff alike, in the widest sense. Developing a Church of England School designated as such offering a broad and balanced curriculum.

The principal aim of the Academy Trust is to provide high quality learning that helps all students to fulfil their potential and become good and emotionally well-balanced young people.

Further aims are as follows:

- To be at the heart of our community and in the service of it.
- To hold high expectations of each individual and encourage true partnership between stakeholders in order to build and develop community aspirations.
- For every child to be included; to work in partnership with local agencies to ensure a personalised curriculum for all.
- For trust, compassion and fairness to be the principles on which relationships are founded and for tolerance rather than intolerance to be the norm.
- For the academy to operate on principles; social responsibility, honesty, equality and consideration for others.
- To develop and maintain high performing academies that deliver every family their entitlement to a good education.
- For Trust settings to be ground-breaking and supportive learning environments which develop both children and staff, where independence, resilience and innovation is encouraged.

Koinonia Academies Trust

Trustees' Report for the Year Ended 31 August 2021

Objectives, Strategies and Activities

Key influences on the Academy Trust's Development Plan for the period under review were priorities raised during our latest Ofsted report along with the catch up of children's progress and their mental health from time missed from school due to Covid 19.

Key activities and targets have included the following:

- To support children in missed learning time and their mental health needs.
- To continue to improve standards and progress across the Academy, particularly focussing on children who are in multiple vulnerable groups.
- Ensuring a broad and balanced curriculum is being delivered that meets the needs of all learners.
- Improve reading and writing across all year groups
- To improve attendance across the academy and in particular those who are vulnerable to lower rates of progress.
- Maintain the pupil data tracking programme and levels of progress.
- Developing and providing continuing professional development for serving teachers at all levels.
- Maintain the behaviour policy.

Public Benefit

Porter Croft CE Primary Academy is proud of its reputation as a friendly, happy school. We want our children to enjoy their work and to achieve the highest standards in all aspects of their lives. We are a Church school but also a local community school. One of our strengths is the wide range of backgrounds and cultures from which our families come. We are determined that each child should be valued and recognised as an individual but also that each one should feel a sense of belonging to our school community.

STRATEGIC REPORT - Porter Croft CE Primary Academy

Achievements and Performance

In March 2015 the school was rated 'Outstanding' in all areas by Ofsted. This was an amazing achievement given that just 8 years previous the school was facing substantial challenges and demonstrates the rapid improvement that has taken place.

The Ofsted report was the first after the school converted to an academy and highlights the outstanding leadership and the 'exciting curriculum' as some of the key reasons it is performing so well.

We also had a SIAMs inspection in March 2020 and were graded as excellent, which is the highest grade for a church inspection. We are immensely proud of this achievement which came the week before schools went into lockdown due to the pandemic.

Porter Croft remains the only school within Koinonia Academies Trust and trustees and governors are proud of the achievements being made. During the summer of 2021, Key Stage 2 SATS testing did not take place due to the Covid 19 pandemic. We currently remain over our capacity of 210 and had 215 on role for the October and May Census. We received 78 applications for 30 Foundation 2 places and continue to have a waiting list for the Foundation 2 class.

The Senior Leadership Team along with all staff have continued to work to maintain a broad and balanced curriculum along with supporting children to catch up on missed learning during the last 18 months. Covid-19 once again has had a huge impact on school, not only from missed learning for the pupils but extra pressures on staff. A number of the Senior Leadership Team have provided cover to help with high levels of staff absence and staff shortages through other illnesses.

The pupil data tracker is now well established and working well using a PITA system to track progress and attainment.

Koinonia Academies Trust
Trustees' Report
for the Year Ended 31 August 2021

STRATEGIC REPORT

Financial Review

Financial position

The Academy Trust's income is obtained from the Education and Skills Funding Agency in the form of the General Annual Grant (GAG). The Academy Trust also received other central government grants, the use of which is restricted to particular purposes and other income from consultancy work performed by the Headteacher and other Senior Staff. The grants received during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2021, total expenditure of £1,275,338 was in excess of the recurrent grant funding from the ESFA together with other income resources, giving rise to an excess of expenditure over income of £32,674 (2020: excess of income over expenditure of £66,886).

An actuarial loss of £172,000 (2020: £37,000) arose on the Academy Trust's share of the Local Government Pension Scheme (LGPS) during the year which, with other movements, has resulted in an LGPS deficit of £1,458,000 at 31 August 2021 (2020: £1,228,000). The size of the pension deficit is a significant issue shared by the whole academy schools sector. Based on actuarial advice, the pension deficit is being eliminated by additional LGPS contributions as disclosed at note 19 and the need for further additional contributions will be kept under review based on actuarial advice.

The Trust showed a net decrease in funds in the year of £204,674 (2020: increase of £29,886) which has increased the balance sheet net deficit to £1,058,173 (2020: £853,499). The Academy Trust's net balance sheet deficit comprises fixed assets of £8,632 (2020: £17,077), net current assets of £391,195 (2020: £357,424) including bank balances of £426,674 (2020: £392,279) and an LGPS deficit of £1,458,000 (2020: £1,228,000). The pension deficit is not an immediate liability, and as noted above, additional contributions are being made to eliminate the liability based on actuarial advice as disclosed at note 19. The balance sheet deficit reflects a prior year adjustment made in the 2017 financial statements to remove the church land & buildings, as fully explained in the year ended 31 August 2017 Financial Review and financial statements.

Going Concern

The board of trustees and governors has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. Forecasts for the current year (2021/22) and following two years show that the Trust has sufficient funds to continue to operate for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

Investment Policy

The Academy trust does not hold investments other than Cash at Bank. Governors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Governors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

Principal Risks and Uncertainties

The Trustees have identified the following principal risks and uncertainties facing the Academy Trust:

Covid-19

The pandemic has impacted on the academy's operations during the year, as described above. Depending on the future development of the pandemic, its operations could continue to be impacted during 2022 and possibly beyond.

Financial Risks

The Academy is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focussed on offering the best possible provision in the context of diminishing public funding. Governors have also given due consideration to the risks associated with financial management and compliance.

Financially the budget has been set in the next financial year with limited budgets available to departments, however uncertainty of the budget remains in the balance due to possible fuel increases and national insurance increases for all staff, which at the moment have to be made out of the existing budget with no offering from the DFE.

Koinonia Academies Trust

Trustees' Report for the Year Ended 31 August 2021

STRATEGIC REPORT

Principal Risks and Uncertainties

Safeguarding and Child Protection Risks

Governors continue to ensure that the highest standards are maintained in the selection and monitoring of staff, volunteers and contractors and the control of visitors. They give a high priority to the operation of child protection policies in school including training and support.

The Academy follows a strict Safer Recruitment policy, which covers recruitment of all new staff, volunteers, contractors and visitors to the school. All receive an induction on safeguarding, which includes the Trust's Social Media Policy.

Reputational Risk

The continuing success of the academy depends upon offering the best possible education of all our pupils. Governors are clearly focused on monitoring and reviewing the achievement and success of students.

Staff Recruitment

Governors have identified the possibility of the inability to recruit staff due to the recruitment problems that are nationwide. The Academy has, during the financial year, recruited 2 members of non-teaching staff from a good field of applications, however it was noted that the applications received were less than previous appointments.

Directors, Governors and the Senior Leadership Team are clearly focused on monitoring and reviewing the achievement and success of students and staff.

Financial and Risk Management Objectives and Policies

The trust's activities expose it primarily to cash flow risk. The Governors and Senior Leadership Team monitor cash flow closely to ensure that the trust has significant funds available to meet liabilities as and when they fall due. The trust maintains significant cash reserves at all times.

Fundraising

The trust mainly relies on the GAG income as its source of income. Small amounts of fundraising are undertaken which have been purely from parental donations to help to contribute towards the cost of some curriculum activities and events. Fundraising has been extremely limited over the past two years due to the Covid pandemic.

Plans for Future Periods

The Academy plans to maintain a clear focus on learning and the teaching that promotes it, including continuing to raise achievement and skills of pupils. Specific Plans Include:

- Continuing Senior Leadership Team succession planning
- Ensuring children are given the best possible education enabling them to catch up from missed learning.
- Focusing on children's and staff's mental health and well-being
- Ensuring Pupil Premium funding is used to the maximum benefit
- Leading the academy through a critical financial period
- Ensuring high quality first teaching is undertaken by all teaching staff
- Ensuring high quality non-teaching staff support teachers to maximise the life chances of students

STRUCTURE, GOVERNANCE AND MANAGEMENT

Funds held as Custodian Trustee on Behalf of Others

This is not applicable.

Koinonia Academies Trust

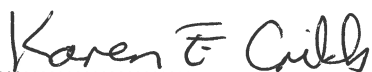
**Trustees' Report
for the Year Ended 31 August 2021**

AUDITORS

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 December 2021 and signed on the board's behalf by:



.....
Rev K E Cribb – Chair of Trustees

Koinonia Academies Trust
Governance Statement
for the Year Ended 31 August 2021

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Koinonia Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees Report and in the Statement of Trustees' Responsibilities. The board of trustees have not met this year, however the finance committee have met on their behalf. As the Trust comprises a single academy, the Trustees consider that its oversight of the Trust is achieved through meetings of the local board of governors together with the Trust's finance committee. Attendance during the year at meetings of the board of governors was as follows:

Governors of Porter Croft CE Primary Academy

All Full governor meetings were undertaken via Zoom for the year 2020-21

Name		Meetings attended	Out of a possible
Rev K Cribb	Chair - Foundation	3	3
V Smith	Foundation	3	3
M West	Foundation	3	3
Rev C Dawson	Foundation	3	3
M Fischer	Foundation	0	2
C Matthews	Foundation	3	3
A Borthwick - from January 2021	Foundation TBC - attended as an observer	2	2
E Thompson	Staff	1	1
S Moxon	Associate Governor	3	3
C Thomas	Headteacher	3	3
A Gooljar	LA Rep	3	3
G Nigusse - from October 2020	Co-opted Governor TBC - attended as an observer	2	3
M Kelly - term ended 31 August 2021	Parent	2	3
H Sutcliffe - term ended 31 August 2021	Parent	3	3
S Holman	Associate Governor	3	3

Koinonia Academies Trust
Governance Statement
for the Year Ended 31 August 2021

Finance, Leadership and Management

Name	Meetings attended	Out of a possible
C Thomas	7	7
S Moxon	7	7
M West	7	7
Rev K Cribb	7	7

Premises, Behaviour & Safeguarding of Pupils

Name	Meetings attended	Out of a possible
S Moxon	3	3
V Smith	3	3
C Thomas	3	3
B Carpenter	2	3
E Long	3	3
Rev C Dawson	3	3

Curriculum & Achievement of Pupils and Quality of Teaching

Name	Meetings attended	Out of a possible
M Kelly	2	3
C Matthews	3	3
C Thomas	3	3
V Smith	3	3

The governor self-evaluation is an ongoing document and is to be reviewed in the Autumn Term 2021.

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by obtaining three quotes for any single item or building work that exceeds the value of £750. All amounts over £5,000 are discussed and agreed at the Finance Leadership and Management Committee.

Colour photocopying still continues to be restricted to all staff to reduce the amount of unnecessary printing and printing is accessed through the photocopier and is controlled using individual log-on and passwords. To prevent wastage printing, the password needs to be entered on the copier before printing will take place. This has stopped printing being lost and taken by other members of staff and then the printing repeated. The copier lease has been renewed at a cheaper rate.

Areas to be considered for the next financial year are the cleaning contract and cost of general items purchased for every day curriculum purposes.

Koinonia Academies Trust
Governance Statement
for the Year Ended 31 August 2021

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 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 in Porter Croft C of E Primary Academy for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. School Business Services were appointed to carry out the Internal Audit work from September 2021.

Capacity to Handle Risk

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

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- Regular reviews by the Finance, Leadership & Management committee of reports which indicate financial performance against 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;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed School Business Services (SBS) to perform an appropriate programme of checks on the Academy Trust's financial systems.

During the year ended 31st August 2021 the programme of risk review which during the period, comprised 2 visits by SBS (virtually) to perform a supplementary programme of checks on the academy's financial systems, the results of which were reported to the board of trustees.

During the period ending 31 August 2021 the programme of risk review and control checks have been fully delivered in line with the requirements of the ESFA.

Koinonia Academies Trust
Governance Statement
for the Year Ended 31 August 2021

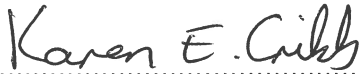
Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal auditor
- The work of the external auditors
- The work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Leadership and Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 15 December 2021 and signed on its behalf by:



.....
Rev K E Cribb – Chair of Trustees



.....
Mrs C Thomas - Accounting Officer

Koinonia Academies Trust

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2021**

As accounting officer of Koinonia Academies Trust I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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 trustees and ESFA.



.....
Mrs C Thomas - Accounting Officer

15 December 2021

Koinonia Academies Trust

Statement of Trustees' Responsibilities for the Year Ended 31 August 2021

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 15 December 2021 and signed on its behalf by:



Rev K E Cribb – Chair of Trustees

Report of the Independent Auditors to the Members of Koinonia Academies Trust

Opinion

We have audited the financial statements of Koinonia Academies Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

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 incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and 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 Auditors' 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Koinonia Academies Trust

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 Trustees' Report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation, concerning the charitable company's policies and procedures relating to:
- Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- The internal controls established to mitigate risk related to fraud or non-compliance with laws & regulations;
- Obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charitable company. The key laws and regulations we considered in this context included the UK Companies Act, Charities SORP (FRS102), UK Generally Accepted Accounting Practice and the Education and Skills Funding Agency's (ESFA) Academies Financial Handbook and Accounts Direction.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Koinonia Academies Trust**

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing the judgements used in accounting estimates to assess whether these may be indicative of potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Paul Hinchliffe BA FCA (Senior Statutory Auditor)
for and on behalf of Harris & Co Limited
Chartered Accountants & Statutory Auditor
Marland House
13 Huddersfield Road
Barnsley
South Yorkshire
S70 2LW

Date:15 December 2021.....

Independent Reporting Accountant's Assurance Report on Regularity to Koinonia Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement 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 Koinonia Academies Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Koinonia Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Koinonia Academies Trust 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 Koinonia Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Koinonia Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Koinonia Academies Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- evaluation of the general control environment of the Academy Trust;
- assessment and testing of a sample of the specific control activities over regularity of a particular activity;
- consideration of whether the activity is permissible within the Academy Trust's framework of authorities.

**Independent Reporting Accountant's Assurance Report on Regularity to
Koinonia Academies Trust and the Education and Skills Funding Agency**

Conclusion

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

H&C

Harris & Co Limited
Chartered Accountants
Reporting Accountant
Marland House
13 Huddersfield Road
Barnsley
South Yorkshire
S70 2LW

Date: *15 December 2021*

Koinonia Academies Trust

Statement of Financial Activities
for the Year Ended 31 August 2021

	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	100	-	6,363	6,463	7,928
Charitable activities						
Funding for the academy's educational operations	3	-	1,227,056	-	1,227,056	1,200,681
Other trading activities	4	9,100	-	-	9,100	38,282
Investment income	5	45	-	-	45	506
Total		9,245	1,227,056	6,363	1,242,664	1,247,397
EXPENDITURE ON						
Raising funds	7	-	-	-	-	12,655
Charitable activities						
Academy's educational operations	6	-	1,259,903	15,435	1,275,338	1,167,856
Total	6	-	1,259,903	15,435	1,275,338	1,180,511
NET INCOME/(EXPENDITURE)		9,245	(32,847)	(9,072)	(32,674)	66,886
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	(172,000)	-	(172,000)	(37,000)
Net movement in funds		9,245	(204,847)	(9,072)	(204,674)	29,886
RECONCILIATION OF FUNDS						
Total funds brought forward		174,118	(1,055,797)	28,180	(853,499)	(883,385)
TOTAL FUNDS CARRIED FORWARD		183,363	(1,260,644)	19,108	(1,058,173)	(853,499)

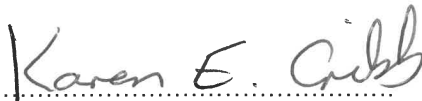
The notes form part of these financial statements

Koinonia Academies Trust (Registered number: 08563153)

**Balance Sheet
31 August 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	8,632	17,077
CURRENT ASSETS			
Stocks	14	200	175
Debtors	15	54,188	46,273
Cash at bank		<u>426,674</u>	<u>392,279</u>
		481,062	438,727
CREDITORS			
Amounts falling due within one year	16	(89,867)	(81,303)
		<u>391,195</u>	<u>357,424</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		399,827	374,501
PENSION LIABILITY	19	(1,458,000)	(1,228,000)
		<u>(1,058,173)</u>	<u>(853,499)</u>
NET ASSETS/(LIABILITIES)			
FUNDS	18		
Restricted funds:			
Restricted General		197,356	172,203
Restricted Fixed Asset		19,108	28,180
Restricted - Pension		<u>(1,458,000)</u>	<u>(1,228,000)</u>
		<u>(1,241,536)</u>	<u>(1,027,617)</u>
Unrestricted funds:			
General fund		<u>183,363</u>	<u>174,118</u>
TOTAL FUNDS		<u>(1,058,173)</u>	<u>(853,499)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2021 and were signed on its behalf by:



 Rev K E Cribb – Chair of Trustees

The notes form part of these financial statements

Koinonia Academies Trust

**Cash Flow Statement
for the Year Ended 31 August 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>34,977</u>	<u>172,086</u>
Net cash provided by operating activities		<u>34,977</u>	<u>172,086</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,990)	-
Capital grants from DfE/EFA		6,363	6,419
Interest received		<u>45</u>	<u>506</u>
Net cash (used in)/provided by investing activities		<u>(582)</u>	<u>6,925</u>
Change in cash and cash equivalents in the reporting period		34,395	179,011
Cash and cash equivalents at the beginning of the reporting period		<u>392,279</u>	<u>213,268</u>
Cash and cash equivalents at the end of the reporting period		<u><u>426,674</u></u>	<u><u>392,279</u></u>

The notes form part of these financial statements

Koinonia Academies Trust

Notes to the Cash Flow Statement
for the Year Ended 31 August 2021

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(32,674)	66,886
Adjustments for:		
Depreciation charges	15,435	5,773
Capital grants from DfE/ESFA	(6,363)	(6,419)
Interest received	(45)	(506)
Increase in stocks	(25)	(25)
(Increase)/decrease in debtors	(7,915)	22,853
Increase in creditors	8,564	15,524
Difference between pension charge and cash contributions	<u>58,000</u>	<u>68,000</u>
Net cash provided by operations	<u>34,977</u>	<u>172,086</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/20 £	Cash flow £	At 31/8/21 £
Net cash			
Cash at bank	<u>392,279</u>	<u>34,395</u>	<u>426,674</u>
	<u>392,279</u>	<u>34,395</u>	<u>426,674</u>
Total	<u>392,279</u>	<u>34,395</u>	<u>426,674</u>

The notes form part of these financial statements

Koinonia Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Basic of preparing the financial statements

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.

Koinonia Academies Trust constitutes a public benefit entity as defined by FRS 102.

Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy 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.

Further information on the Academy Trust's balance sheet deficit position is included in the Financial Review of the Trustee's Report on page 4. This balance sheet deficit reflects a prior year adjustment made in the 2017 financial statements to remove land and buildings from the Academy Trust's balance sheet, together with the defined benefit pension scheme liability which is not a current liability. Accordingly, as explained in the Financial Review on page 4, the trustees continue to adopt the going concern basis in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

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

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to the financial statements, 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.

A critical area of judgement is the treatment of the church school premises. Control over the school premises leased from the Diocese is considered to remain with the Diocese and so this element is not recognised on the balance sheet of the Academy Trust.

Koinonia Academies Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account 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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

The school premises which the Academy Trust occupies are on a long term lease to the Academy Trust from the Diocese. Control over the school premises leased from the Diocese remains with the Diocese and so this element is not recognised on the balance sheet of the Academy Trust. Subsequent expenditure on school premises is written off through the Statement of Financial Activities.

Koinonia Academies Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets and depreciation

For church school premises that are not on the balance sheet the Accounts Direction requires that an annual donation for rent should be recognised equal to what the Academy Trust would have to pay to secure premises, if such a figure can be reliably measured. Since there is no open market for such transactions this amount cannot be reliably measured and so no donation has been recognised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 4 years
Computer equipment	- Straight line over 3 years

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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.

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes to the financial statements. 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 costs as detailed in the notes to the financial statements. 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.

Stocks

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

Koinonia Academies Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

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.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education and Skills Funding Agency.

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is a multi-employer scheme with no underlying assets to assign between employers. Consequently, 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 incorporating income and expenditure account 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.

Debtors

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

Cash at bank and in hand

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

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

1. ACCOUNTING POLICIES - continued

Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Operating lease commitments

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	100	-	100	1,509
Grants	<u>-</u>	<u>6,363</u>	<u>6,363</u>	<u>6,419</u>
	<u>100</u>	<u>6,363</u>	<u>6,463</u>	<u>7,928</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
Capital grants	<u>6,363</u>	<u>6,419</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	984,295	984,295	988,886
Other EFA grants	-	2,637	2,637	2,637
Pupil Premium	-	106,695	106,695	116,958
Covid support	-	17,040	17,040	-
UIFSM	-	37,476	37,476	27,099
PE and Sport Premium	-	17,800	17,800	17,860
Teachers Pay and Pension Grant	<u>-</u>	<u>44,355</u>	<u>44,355</u>	<u>44,655</u>
	<u>-</u>	<u>1,210,298</u>	<u>1,210,298</u>	<u>1,198,095</u>
Other Government grant				
Other LA - High Needs	-	11,750	11,750	-
Other grants	<u>-</u>	<u>5,008</u>	<u>5,008</u>	<u>2,586</u>
	<u>-</u>	<u>1,227,056</u>	<u>1,227,056</u>	<u>1,200,681</u>

Koinonia Academies Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

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 UIFSM, PE and Sport, Teachers' Pay and Pension and Covid-19 is no longer reported under the Other DfE Group grants heading, but as separate lines. The prior year numbers have been reclassified.

There are no unfulfilled conditions at the year end with regards to the amounts included in the above government grants. The other ESFA grant income mainly relates to Universal Free School Meals.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fundraising events	93	-	93	874
Other income	692	-	692	4,512
Educational visits	-	-	-	8,689
Catering	-	-	-	165
Teacher hire out	-	-	-	12,655
Clubs income	<u>8,315</u>	<u>-</u>	<u>8,315</u>	<u>11,387</u>
	<u>9,100</u>	<u>-</u>	<u>9,100</u>	<u>38,282</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	<u>45</u>	<u>-</u>	<u>45</u>	<u>506</u>

6. EXPENDITURE

	Non-pay expenditure			2021	2020
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs of fundraising					
Direct costs	-	-	-	-	12,655
Charitable activities					
Academy's educational operations					
Direct costs	641,607	-	58,072	699,679	610,912
Allocated support costs	<u>349,456</u>	<u>88,550</u>	<u>137,653</u>	<u>575,659</u>	<u>556,944</u>
	<u>991,063</u>	<u>88,550</u>	<u>195,725</u>	<u>1,275,338</u>	<u>1,180,511</u>

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

6. EXPENDITURE - continued

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	9,750	8,500
Auditors' remuneration for non-audit work	1,000	1,000
Depreciation - owned assets	<u>15,435</u>	<u>5,773</u>

In 2021, included in the total expenditure of £1,275,338 (2020: £1,180,511), £nil, (2020: £12,655) was to unrestricted funds, £15,435 was to restricted fixed asset funds (2020: £16,418) and £1,259,903 (2020 £1,151,438) was to restricted general funds.

7. RAISING FUNDS

Costs of fundraising

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Staff costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,655</u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Direct costs	-	699,679	699,679	610,912
Support costs	<u>-</u>	<u>575,659</u>	<u>575,659</u>	<u>556,944</u>
	<u>-</u>	<u>1,275,338</u>	<u>1,275,338</u>	<u>1,167,856</u>

	2021 Total £	2020 Total £
Analysis of support costs		
Support staff costs	307,357	328,440
Depreciation	29	15
Technology costs	17,855	23,139
Premises costs	88,550	54,525
Other support costs	109,019	99,498
Governance costs	<u>52,849</u>	<u>51,327</u>
Total support costs	<u>575,659</u>	<u>556,944</u>

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

9. TRUSTEES' REMUNERATION AND BENEFITS

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
S Moxon	Remuneration	35,000 - 40,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
C Thomas	Remuneration	70,000 - 75,000	65,000 - 70,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	701,539	671,063
Social security costs	59,172	48,575
Operating costs of defined benefit pension schemes	<u>208,652</u>	<u>200,858</u>
	969,363	920,496
Agency staff costs	<u>21,700</u>	<u>7,961</u>
	<u>991,063</u>	<u>928,457</u>

The average number of persons employed by the academy during the year expressed as full time equivalents:

	2021	2020
Teachers and teaching assistants	17	17
Administration and support	6	8
Management	<u>1</u>	<u>1</u>
	<u>24</u>	<u>26</u>

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

	2021	2020
Teachers and teaching assistants	20	20
Administration and support	10	11
Management	<u>1</u>	<u>2</u>
	<u>31</u>	<u>33</u>

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

10. STAFF COSTS - continued

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

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

The key management personnel of the Academy trust comprise the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust for the year was £294,042 (2020: £271,042).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one executive or organisation liability claim and £250,000 on any one employment practices liability claim.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	1,509	-	6,419	7,928
Charitable activities				
Funding for the academy's educational operations	-	1,200,681	-	1,200,681
Other trading activities	38,282	-	-	38,282
Investment income	<u>506</u>	<u>-</u>	<u>-</u>	<u>506</u>
Total	40,297	1,200,681	6,419	1,247,397
EXPENDITURE ON				
Raising funds	12,655	-	-	12,655
Charitable activities				
Academy's educational operations	-	1,151,438	16,418	1,167,856
Total	<u>12,655</u>	<u>1,151,438</u>	<u>16,418</u>	<u>1,180,511</u>
NET INCOME/(EXPENDITURE)	27,642	49,243	(9,999)	66,886
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(37,000)</u>	<u>-</u>	<u>(37,000)</u>
Net movement in funds	27,642	12,243	(9,999)	29,886

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	Total funds £
RECONCILIATION OF FUNDS				
Total funds brought forward	146,476	(1,068,040)	38,179	(883,385)
TOTAL FUNDS CARRIED FORWARD	<u>174,118</u>	<u>(1,055,797)</u>	<u>28,180</u>	<u>(853,499)</u>

13. TANGIBLE FIXED ASSETS

	Furniture and Equipment £	Computer equipment £	Totals £
COST			
At 1 September 2020	51,751	23,952	75,703
Additions	-	6,990	6,990
At 31 August 2021	<u>51,751</u>	<u>30,942</u>	<u>82,693</u>
DEPRECIATION			
At 1 September 2020	43,055	15,571	58,626
Charge for year	8,696	6,739	15,435
At 31 August 2021	<u>51,751</u>	<u>22,310</u>	<u>74,061</u>
NET BOOK VALUE			
At 31 August 2021	<u>-</u>	<u>8,632</u>	<u>8,632</u>
At 31 August 2020	<u>8,696</u>	<u>8,381</u>	<u>17,077</u>

14. STOCKS

	2021 £	2020 £
Uniforms	<u>200</u>	<u>175</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	6,750	-
VAT	11,135	6,879
Prepayments and accrued income	36,303	39,394
	<u>54,188</u>	<u>46,273</u>

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	53,073	43,539
Social security and other taxes	12,983	13,819
Other creditors	8,250	7,994
Accruals and deferred income	<u>15,561</u>	<u>15,951</u>
	<u>89,867</u>	<u>81,303</u>

	2021	2020
	£	£
Deferred income		
Deferred income as at 1 September 2020	15,951	15,391
Resources deferred during the year	15,561	15,951
Amounts released from previous years	<u>(15,951)</u>	<u>(15,391)</u>
Deferred income as at 31 August 2021	<u>15,561</u>	<u>15,951</u>

At the balance sheet date the academy trust was holding funds received in advance for universal infant free school meals for 2021/22.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	Restricted Fixed Asset	2021 Total funds
	£	£	£	£
Fixed assets	-	-	8,632	8,632
Current assets	183,363	287,223	10,476	481,062
Current liabilities	-	(89,867)	-	(89,867)
Pension liability	-	<u>(1,458,000)</u>	-	<u>(1,458,000)</u>
	<u>183,363</u>	<u>(1,260,644)</u>	<u>19,108</u>	<u>(1,058,173)</u>

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

	Unrestricted fund	Restricted funds	Restricted Fixed Asset	2020 Total funds
	£	£	£	£
Fixed assets	-	-	17,077	17,077
Current assets	174,118	253,506	11,103	438,727
Current liabilities	-	(81,303)	-	(81,303)
Pension liability	-	<u>(1,228,000)</u>	-	<u>(1,228,000)</u>
	<u>174,118</u>	<u>(1,055,797)</u>	<u>28,180</u>	<u>(853,499)</u>

Koinonia Academies Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

18. MOVEMENT IN FUNDS

	Balance at 1 September 2020	Income	Expenditure	Gains/ (Losses)	Balance at 31 August 2021
Restricted general funds					
General Annual Grant (GAG)	150,490	984,295	(951,255)	-	183,530
Other ESFA Grants	-	2,637	(2,637)	-	-
Pupil Premium	8,292	106,695	(114,987)	-	-
PE Grant	13,421	17,800	(17,395)	-	13,826
Covid-19 Support	-	17,040	(17,040)	-	-
UIFSM	-	37,476	(37,476)	-	-
Teachers Pay and Pension	-	44,355	(44,355)	-	-
Other grants	-	16,758	(16,758)	-	-
Pension	(1,228,000)		(58,000)	(172,000)	(1,458,000)
	(1,055,797)	1,227,056	(1,259,903)	(172,000)	(1,260,644)
Restricted fixed asset funds					
Assets funded from GAG	4,646	-	(4,646)	-	-
Assets transferred on conversion	293	-	(293)	-	-
Other DfE Capital Grants	21,907	6,363	(9,162)	-	19,108
Other Capital Donations	1,334		(1,334)	-	-
	28,180	6,363	(15,435)	-	19,108
Total restricted funds	(1,027,617)	1,233,419	(1,275,338)	(172,000)	(1,241,536)
Total unrestricted funds	174,118	9,245	-	-	183,363
Total funds	(853,499)	1,242,664	(1,275,338)	(172,000)	(1,058,173)

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	Balance at 1 September 2019	Income	Expenditure	Gains/ (Losses)	Balance at 31 August 2020
Restricted general funds					
General Annual Grant (GAG)	46,184	991,523	(887,217)	-	150,490
Pupil Premium	4,048	116,958	(112,714)	-	8,292
PE Grant	4,728	17,860	(9,167)	-	13,421
Universal Infant Free School Meals	-	27,099	(27,099)	-	-
Other restricted grants	-	47,241	(47,241)	-	-
Pension	(1,123,000)		(68,000)	(37,000)	(1,228,000)
	<u>(1,068,040)</u>	1,200,681	<u>(1,151,438)</u>	<u>(37,000)</u>	<u>(1,055,797)</u>
Restricted fixed asset funds					
Assets funded from GAG	6,225	-	(1,579)	-	4,646
Assets transferred on conversion	439	-	(146)	-	293
Other DfE Capital Grants	29,736	6,419	(14,248)	-	21,907
Other Capital Donations	1,779		(445)	-	1,334
	<u>38,179</u>	6,419	<u>(16,418)</u>	-	<u>28,180</u>
Total restricted funds	(1,029,861)	1,207,100	(1,167,856)	(37,000)	(1,027,617)
Total unrestricted funds	146,476	40,297	(12,655)	-	174,118
Total funds	<u>(883,385)</u>	<u>1,247,397</u>	<u>(1,180,511)</u>	<u>(37,000)</u>	<u>(853,499)</u>

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

1) Restricted general funds must be used for the normal running costs of the Academy in line with the Master Funding Agreement and restrictions from other sources of funding.

2) Restricted fixed asset funds are used solely for capital purposes in line with the strategic objectives of the Academy.

The transfers between restricted funds and restricted fixed asset funds relates to fixed assets purchased from GAG and the PE Grant. Other transfers relate to the funding of deficits that have arisen in restricted funds.

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

19. PENSION AND SIMILAR OBLIGATIONS

The charity'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 South Yorkshire Pensions Authority. Both are multi-employer defined benefit schemes.

Koinonia Academies Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

19. PENSION AND SIMILAR OBLIGATIONS - continued

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

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

Teachers' pension scheme

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

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

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £89,849 (2020 - £86,463).

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

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

Local government pension scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 2021 was £65,317 (2020 - £59,365), of which employer's contributions totalled £48,188 (2020 - £42,745) and employees' contributions totalled £17,129 (2020 - £16,890). The agreed contribution rates for future years are 15% for employers and 5.5% to 12.5% for employees.

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

Koinonia Academies Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

19. PENSION AND SIMILAR OBLIGATIONS - continued

As the LGPS is in deficit the academy entered into a 3-year agreement to 31 March 2020 with the pension trustees to make additional contributions in addition to normal funding levels. In the year ended 31 August 2021 additional contributions totalled £32,867 (2020: £26,960)

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(2,306,000)	(1,870,000)
Fair value of plan assets	<u>848,000</u>	<u>642,000</u>
	(1,458,000)	(1,228,000)
Present value of unfunded obligations	-	-
Deficit	<u>(1,458,000)</u>	<u>(1,228,000)</u>
Net liability	<u>(1,458,000)</u>	<u>(1,228,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	117,000	112,000
Net interest from net defined benefit asset/liability	21,000	20,000
Past service cost	-	-
	<u>138,000</u>	<u>132,000</u>
Actual return on plan assets	<u>123,000</u>	<u>(13,987)</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	1,870,000	1,706,000
Current service cost	117,000	112,000
Contributions by scheme participants	17,000	17,000
Interest cost	33,000	31,000
Actuarial losses/(gains)	283,000	12,000
Benefits paid	<u>(14,000)</u>	<u>(8,000)</u>
	<u>2,306,000</u>	<u>1,870,000</u>

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

19. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	642,000	583,000
Contributions by employer	81,000	65,000
Contributions by scheme participants	17,000	17,000
Expected return	12,000	11,000
Actuarial gains/(losses)	111,000	(25,000)
Benefits paid	(14,000)	(8,000)
Administrative expenses	(1,000)	(1,000)
	<u>848,000</u>	<u>642,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial gains/(losses)	(172,000)	(37,000)
	<u>(172,000)</u>	<u>(37,000)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Equities	411,000	305,000
Government bonds	117,000	94,000
Other bonds	63,000	56,000
Property	73,000	54,000
Cash and other liquid assets	8,000	23,000
Other	176,000	110,000
	<u>848,000</u>	<u>642,000</u>

Actual return on scheme assets was £123,000 (2020: (£1,000)).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021	2020
Discount rate for scheme liabilities	1.70%	1.80%
Rate of increase in salary	4.05%	3.55%
Rate of increase for pensions payments	2.90%	2.40%
Inflation assumptions (CPI)	2.80%	2.30%

Koinonia Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

19. PENSION AND SIMILAR OBLIGATIONS - continued

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

	2021	2020
<u>Retiring today</u>		
Males	22.5	22.4
Females	25.3	25.2
 <u>Retiring in 20 years</u>		
Males	24.0	23.9
Females	27.2	27.1

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	(55,000)	(44,000)
Discount rate -0.1%	56,000	45,000
Mortality assumption - 1 year increase	72,000	52,000
Mortality assumption - 1 year decrease	(70,000)	(51,000)
CPI rate +0.1%	57,000	46,000
CPI rate -0.1%	(56,000)	(45,000)

20. CAPITAL COMMITMENTS

	2021	2020
	£	£
Contracted but not provided for in the financial statements	<u> -</u>	<u> -</u>

21. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	4,047	4,992
Between one and five years	<u>3,411</u>	<u>3,072</u>
	<u>7,458</u>	<u>8,064</u>

22. RELATED PARTY DISCLOSURES

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transaction took place in the financial period.

Expenditure:

Sheffield Diocesan Board of Finance, of which Rev C Dawson is a director and also a Member of the Trust, provided conference and school support services to the Trust totalling £120 (2020: £140).

Income:

Church Burgesses Educational Foundation, of which Mr H Thomas is a director and also a Member of the Trust, provided the Trust with grants totalling £5,008 (2020: £2,586).