

Company Registration Number: 08899140 (England & Wales)

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

CONTENTS

| | Page |
|--|---------|
| Reference and administrative details | 1 |
| Trustees' report | 2 - 8 |
| Governance statement | 9 - 11 |
| Statement on regularity, propriety and compliance | 12 |
| Statement of Trustees' responsibilities | 13 |
| Independent auditor's report on the financial statements | 14 - 17 |
| Independent reporting accountant's report on regularity | 18 - 19 |
| Statement of financial activities incorporating income and expenditure account | 20 - 21 |
| Balance sheet | 22 - 23 |
| Statement of cash flows | 24 |
| Notes to the financial statements | 25 - 48 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members C Leach
H Rose
K Andrew (Appointed 1 September 2019)
D Bell

Trustees E Parker
S Blay, Accounting Officer
C Leach
S Colclough
S Turner (resigned 31 December 2019)
K Andrew
C Desjardins
E Findlay
N Deeran (appointed 27 January 2020)
R Duerr (appointed 3 December 2019)
L Radford (appointed 1 February 2020)

Company registered number 08899140

Company name Crossacres Primary Academy

Principal and registered office Crossacres Road
Wythenshawe
Manchester
M22 5AD

Senior management team S Blay, Headteacher
D Thompson, Head of School
S Cordwell, Deputy Headteacher
J Harrison, Deputy Headteacher
J Higham, Deputy Headteacher

Independent auditor Crowe U.K. LLP
3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2019 to 31 August 2020. 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 3-11 serving a catchment area in Wythenshawe South Manchester. It has a pupil capacity of 690 and had a roll of 683 in the school census in October 2019. Details of the Trust's admissions policy can be found on its website.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the academy.

The Trustees of Crossacres Primary Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Crossacres Primary Academy and was incorporated on 17 February 2014. The charitable company commenced its activities on transfer of Crossacres Primary School from the Local Authority on 1 April 2014.

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. The academy was incorporated on 17 February 2014 and commenced its activities on transfer of Crossacres Primary School from the Local Authority on 1 April 2014.

b. Members' liability

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

c. Trustees' indemnities

The School has purchased indemnity insurance to protect the Governors and Officers from claims arising in connection with the Academy's business. This cover is provided by the Department for Education, Risk Protection Arrangement and is effectively unlimited.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Governors may agree unanimously to appoint additional Governors as they see fit and may unanimously in writing agree to remove any such additional Governors.

The members are Governors of the Crossacres Primary Academy and in addition the following Governors shall be appointed in accordance with the Articles of the Association –

| | |
|------------------------------|---|
| Co-opted Governors | 6 |
| Parent Governors | 2 |
| Staff, including Headteacher | 2 |

A minimum of 6 and up to 10 Co-opted Governors with appointments made taking into consideration the needs of the Academy and the contribution, skills and experience an individual can offer.

e. Policies adopted for the induction and training of Trustees

Training provided for new Governors depends upon their existing experience and is tailored specifically to the individual. Where necessary, training will be provided on charity, educational, legal and financial matters.

The Chair of Governors, Headteacher and Business Manager will undertake training and induction of any new Governors. As part of the induction process, all new Governors will be given a briefing on the aims, values and drivers of the Academy. This will include a tour of the facility and an introduction to staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

f. Organisational structure

The School is governed by its Governing Body. All Governors are directors of the Charitable Company for the purposes of the Companies Act 2006 and are trustees for the purposes of charity legislation. The organisational structure consists of four levels - the Members, the Trustees, the Headteacher and Accounting Officer and the Senior Leadership Team.

The governing body are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team control the Academy at an executive level implementing the policies laid down by the Governing Body and reporting back to them. As a group the Senior Leadership Team, are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for post in the Leadership Team always contain a Governing Body member.

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

The pay set for key management personnel is managed through the schools Performance Management Policy. Targets are set each year that link to the priorities for the school. Pay increases are decided on whether the targets have been met or not. The pay for the Headteacher is decided through a committee guided by an external advisor.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

| | |
|---|-----|
| Number of employees who were relevant union officials during the year | 1 |
| Full-time equivalent employee number | 0.8 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | - |
| 1%-50% | 1 |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time £

| | |
|---|-----|
| Total cost of facility time | - |
| Total pay bill | - |
| Percentage of total pay bill spent on facility time | - % |

Paid trade union activities

| | |
|---|-----|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | - % |
|---|-----|

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

a. Objects and aims

The Academy Trust's objective is to advance for the public benefit education in the United Kingdom but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a primary school offering a broad and balanced curriculum.

b. Objectives, strategies and activities

The Academy aims to give the children entering the Early Years department the very best start to their education by providing excellent teaching and a rich vibrant environment.

In Key Stage 1 and 2 the Academy provides a high quality reading, writing and maths curriculum which allows the children to achieve national standards. The curriculum is carefully planned to meet the needs of the children and enhanced with regular educational visits to supplement work completed in class.

c. Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

The curriculum has been very well developed to meet the needs of the children. The curriculum ensures that all subjects are covered in a progressive and interesting manner. Many curriculum enhancements are provided for the children such as pony club, forest school and sports coaches. The children also take part in many visits to enhance the work that they do in school such as to the Lake District and art galleries.

The School prides itself on its results which far exceed its socio-economic profile and this along with a stable workforce and committed leadership and governance continues to ensure the school remains very popular in its catchment area.

The School strives to improve the learning environment and has refurbished the External Quadrangles, dining room and kitchen after a successful bid against the Healthy Schools Capital Fund.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

a. Key performance indicators

Last year the children throughout the Academy achieved high standards which are in line with the 'outstanding' grade from Ofsted.

The Academy continued to expand year groups to three forms of entry with the support of the local authority with the capacity peaking in September 2020.

In this unique year no attainment statistics are available for comparison although the Academy expects there to be no change in our previous excellent attainment levels.

Throughout this academic year the staff have focused on developing our curriculum. The vision for our curriculum is summed up in the words 'Challenge', 'Progress', 'Aspire'. Each subject has a detailed scheme of work that has been written by our staff. The schemes of work ensure that the full national curriculum is covered and that each subject enables the children to develop their skills and knowledge as they move through the school.

The Academy also continued to provide strategic curriculum support to other schools to help them raise standards.

Attendance prior to Lockdown was 95.4% against 96.3% in the previous year and this is in line with the national average. The Academy continues to strive to close the attendance gap of Pupil Premium children.

In common with other schools after Lockdown the Academy remained open for the children of key workers and for those pupils who were classed as vulnerable. We educated an average of 30 pupils daily until the Lockdown was eased on 1st June. We progressively opened Year Groups on a phased basis until we were open to the full School Roll on 1st September.

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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.

Financial review

Revenue income received in the period relates to grants received from the ESFA in the form of the General Annual Grant which is shown as Restricted General Funds in the Statement of Financial Activities. This is the Academy's principal source of funding and is shown as restricted funds in the statement of financial activities.

A number of other grants have been received. These are reflected in the Unrestricted General Funds in the Statement of Financial Activities. These grants have enabled the Academy to allocate additional funding for teachers and curriculum enrichment activities.

Excluding the restricted fixed asset fund and pension reserve, the Academy has had a total income of £3,685,973 which more than covered the total expenditure of £3,599,027.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

a. Reserves policy

The Policy of the Academy is to carry forward a prudent level of resources designed to meet the long term plan and any unforeseen contingencies subject to the levels permitted by the DfE. Currently there are no funds with a deficit.

The governors intend to review the reserve levels of the Academy annually. This review will consider the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. A cautious and low risk approach has been taken in forecasts of both income and expenditure.

The Academy held fund balances at 31 August 2020 of £10,967k, comprising £nil restricted general funds, £11,909k of fixed asset funds, a pension reserve deficit of £1,268k, and £326k of unrestricted general funds. It is the aim of the Governors to carry forward a minimum of £180k of unrestricted general funds each financial year.

Known future spending increases will cause the level of unrestricted general funds (free reserves) to move towards the target level.

b. Investment policy

The Academy has an investment strategy that would allow any surplus funds to be deposited in an interest bearing account with an approved bank. At present this would be dependent on cash flow.

c. Principal Risks and uncertainties

The Governing Body and the Senior Leadership Team are responsible for identifying the risks faced by the Trust and the Academy, establishing procedures to mitigate these risks and ensuring that employees are aware of these procedures and the implications of failing to implement them. They are satisfied that these procedures are consistent with the guidelines issued by the Charity Commission.

The Governing Body have assessed the major risks to which the Academy is exposed in particular those relating to the buildings and related facilities, teaching and learning and the operations of the Academy. The Governing Body and the SLT have implemented a Risk Management system which identifies risks and necessary control measures to mitigate risks, both in terms of finance and operations.

Risk management is being embedded in the management of the Academy and will be reviewed by the SLT on a regular basis. Key risks identified are reviewed by the Finance Committee and reported to the Governing Body.

The principal risks are reviewed by the Governors. The main risk facing the Academy is maintaining the high standards that has led to the school to be judged as 'outstanding' by Ofsted. However the popularity among the local community is strong and a move to a three form entry was established in September 2014 which will continue through to Year 6.

Fundraising

The academy had no fundraising activities requiring disclosure under the provisions of the Charities (Protection and Social Investment) Act 2016.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The Academy will:

- Continue to strive to ensure that all students are able to realise their potential in both academic and non-academic terms.
- Continue to encourage and inspire everyone in our community to believe and achieve their best.
- Continue to develop an excellent environment in which to learn.
- Continue to keep up to date with new technologies.
- Continue to ensure appropriate access for all.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2020 and signed on its behalf by:



K Andrew
Trustee

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Crossacres Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

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

| Trustee | Meetings attended | Out of a possible |
|----------------------------|-------------------|-------------------|
| K Andrew | 6 | 6 |
| S Blay, Accounting Officer | 6 | 6 |
| S Colclough | 5 | 6 |
| C Desjardins | 4 | 6 |
| E Findlay | 4 | 6 |
| C Leach | 2 | 6 |
| E Parker | 6 | 6 |
| S Turner | 2 | 2 |
| R Duerr | 3 | 5 |
| N Deeran | 4 | 4 |
| L Radford | 2 | 2 |

The Finance and General Purposes Committee is combined with the Audit Committee is a sub-committee of the main board of trustees. It's purpose is to assist the Governing Board in fulfilling its responsibilities in relation to the leadership and management of the school in relation personnel, staffing, pay, finance, premises and health and safety, governance and control.

Attendance during the year at meetings was as follows:

| Member | Meetings attended | Out of a possible |
|----------|-------------------|-------------------|
| K Andrew | 2 | 2 |
| D Bell | 2 | 2 |
| S Blay | 2 | 2 |
| C Leach | 0 | 2 |
| H Rose | 2 | 2 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- tendering for goods or services in excess of £2,000 unless a specific exemption exists approved by the Trustees. Tenders are sought on a cyclical basis for all goods and services and all orders are authorised as to providing value for money before orders are raised.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Crossacres Primary Academy for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

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

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

- Provide assurance over controls in place over systems and processes in relation to regulatory compliance.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

On an annual basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

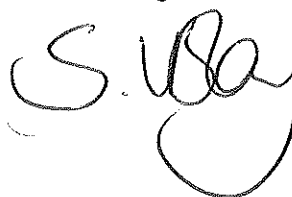
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15 December 2020 and signed on their behalf by:

K Andrew
Chair of Trustees



S Blay
Accounting Officer



CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Crossacres Primary Academy I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

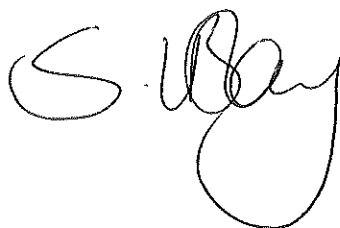
I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2019.

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.

S Blay

Accounting Officer

Date: 15 December 2020



CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 15 December 2020 and signed on its behalf by:

K Andrew
Chair of Trustees



CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROSSACRES PRIMARY ACADEMY**

Opinion

We have audited the financial statements of Crossacres Primary Academy (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROSSACRES PRIMARY ACADEMY (CONTINUED)**

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 Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROSSACRES PRIMARY ACADEMY (CONTINUED)**

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

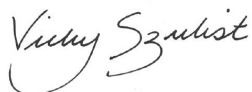
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROSSACRES PRIMARY ACADEMY (CONTINUED)



Vicky Szulist (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

3rd floor

The Lexicon

Mount Street

Manchester

M2 5NT

12th January 2021

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CROSSACRES PRIMARY ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 June 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Crossacres Primary Academy during the year 1 September 2019 to 31 August 2020 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 Crossacres Primary Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Crossacres Primary Academy and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Crossacres Primary Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Crossacres Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Crossacres Primary Academy's funding agreement with the Secretary of State for Education dated 29 April 2014 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CROSSACRES PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date: 12th January 2021

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

| | Note | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 4 | - | 1,000 | 17,186 | 18,186 | 3,751,473 |
| Charitable activities | | 103,911 | 3,580,888 | - | 3,684,799 | 3,379,349 |
| Investments | 6 | 174 | - | - | 174 | 770 |
| Total income | | 104,085 | 3,581,888 | 17,186 | 3,703,159 | 7,131,592 |
| Expenditure on: | | | | | | |
| Charitable activities | | 17,139 | 3,821,888 | 308,440 | 4,147,467 | 3,855,023 |
| Total expenditure | | 17,139 | 3,821,888 | 308,440 | 4,147,467 | 3,855,023 |
| Net income/(expenditure) | | 86,946 | (240,000) | (291,254) | (444,308) | 3,276,569 |
| Transfers between funds | 17 | (1,951) | - | 1,951 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 84,995 | (240,000) | (289,303) | (444,308) | 3,276,569 |
| Other recognised gains/(losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 23 | - | 285,000 | - | 285,000 | (474,000) |
| Net movement in funds | | 84,995 | 45,000 | (289,303) | (159,308) | 2,802,569 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 241,307 | (1,313,000) | 12,198,302 | 11,126,609 | 8,324,040 |
| Net movement in funds | | 84,995 | 45,000 | (289,303) | (159,308) | 2,802,569 |
| Total funds carried forward | | 326,302 | (1,268,000) | 11,908,999 | 10,967,301 | 11,126,609 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The notes on pages 25 to 48 form part of these financial statements.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08899140

BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|--|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 11,908,999 | 12,198,302 |
| | | <u>11,908,999</u> | <u>12,198,302</u> |
| Current assets | | | |
| Debtors | 14 | 113,025 | 137,692 |
| Cash at bank and in hand | | 412,860 | 193,801 |
| | | <u>525,885</u> | <u>331,493</u> |
| Creditors: amounts falling due within one year | 15 | (199,583) | (90,186) |
| Net current assets | | <u>326,302</u> | <u>241,307</u> |
| Total assets less current liabilities | | <u>12,235,301</u> | <u>12,439,609</u> |
| Net assets excluding pension liability | | <u>12,235,301</u> | <u>12,439,609</u> |
| Defined benefit pension scheme liability | 23 | (1,268,000) | (1,313,000) |
| Total net assets | | <u><u>10,967,301</u></u> | <u><u>11,126,609</u></u> |
| Funds of the academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 17 | 11,908,999 | 12,198,302 |
| Restricted funds excluding pension asset | 17 | 11,908,999 | 12,198,302 |
| Pension reserve | 17 | (1,268,000) | (1,313,000) |
| Total restricted funds | 17 | <u>10,640,999</u> | <u>10,885,302</u> |
| Unrestricted income funds | 17 | <u>326,302</u> | <u>241,307</u> |
| Total funds | | <u><u>10,967,301</u></u> | <u><u>11,126,609</u></u> |

The financial statements on pages 20 to 48 were approved by the Trustees, and authorised for issue on 15 December 2020 and are signed on their behalf, by:


K Andrew
Chair of trustees

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08899140

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The notes on pages 25 to 48 form part of these financial statements.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|---|--------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | 224,867 | 66,905 |
| Cash flows from investing activities | 20 | (5,808) | (178,099) |
| Change in cash and cash equivalents in the year | | 219,059 | (111,194) |
| Cash and cash equivalents at the beginning of the year | | 193,801 | 304,995 |
| Cash and cash equivalents at the end of the year | 21, 22 | <u>412,860</u> | <u>193,801</u> |

The notes on pages 25 to 48 form part of these financial statements

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

The trust is a private charitable company limited guarantee, incorporated in England and Wales. Further details can be found on the reference and administrative section on page 1.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 Going concern

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

| | |
|---------------------------|------------------------|
| Leasehold property | - 2% straight line |
| Furniture and fixtures | - 20-33% straight line |
| Improvements to buildings | - 2% straight line |

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

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities

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

2.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.11 Pensions

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

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

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

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

2.12 Fund accounting

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

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

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

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2020. 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.

4. Income from donations and capital grants

| | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|-------------------|----------------------------------|---|-----------------------------|
| Donations | 1,000 | - | 1,000 |
| Grants | - | 17,186 | 17,186 |
| Total 2020 | 1,000 | 17,186 | 18,186 |

| | <i>Restricted fixed asset funds 2019 £</i> | <i>Total funds 2019 £</i> |
|-------------------|--|---------------------------------------|
| Donations | 3,561,192 | 3,561,192 |
| Grants | 190,281 | 190,281 |
| Total 2019 | 3,751,473 | 3,751,473 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Funding for the academy's educational operations

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|
| DfE/ESFA grants | | | |
| GAG | - | 2,625,484 | 2,625,484 |
| Other DfE/ESFA grants | - | 442,610 | 442,610 |
| | - | 3,068,094 | 3,068,094 |
| Other Government Grants | | | |
| LA Grants | - | 512,794 | 512,794 |
| | - | 512,794 | 512,794 |
| Other Funding | | | |
| Other Incoming Resources | 103,911 | - | 103,911 |
| | 103,911 | - | 103,911 |
| Total 2020 | 103,911 | 3,580,888 | 3,684,799 |

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|
| DfE/ESFA grants | | | |
| GAG | - | 2,419,293 | 2,419,293 |
| Other DfE/ESFA grants | - | 363,464 | 363,464 |
| | - | 2,782,757 | 2,782,757 |
| Other Government Grants | | | |
| LA Grants | - | 473,177 | 473,177 |
| | - | 473,177 | 473,177 |
| Other Funding | | | |
| Other Incoming Resources | 123,415 | - | 123,415 |
| | 123,415 | - | 123,415 |
| Total 2019 | 123,415 | 3,255,934 | 3,379,349 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Investment income

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|-------------------|--|---------------------------------------|
| Investment income | 174 | 174 |
| | <u>174</u> | <u>174</u> |
| | | |
| | <i>Unrestricted funds 2019 £</i> | <i>Total funds 2019 £</i> |
| Investment income | 770 | 770 |
| | <u>770</u> | <u>770</u> |

7. Expenditure

| | Staff Costs 2020 £ | Premises 2020 £ | Other 2020 £ | Total 2020 £ |
|-------------------------|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|
| Educational Operations: | | | | |
| Direct costs | 2,353,722 | - | 451,758 | 2,805,480 |
| Allocated support costs | 570,380 | 412,129 | 359,478 | 1,341,987 |
| Total 2020 | <u>2,924,102</u> | <u>412,129</u> | <u>811,236</u> | <u>4,147,467</u> |
| | | | | |
| | <i>Staff Costs 2019 £</i> | <i>Premises 2019 £</i> | <i>Other 2019 £</i> | <i>Total 2019 £</i> |
| Educational Operations: | | | | |
| Direct costs | 2,124,431 | - | 546,298 | 2,670,729 |
| Allocated support costs | 642,299 | 399,242 | 142,753 | 1,184,294 |
| | <u>642,299</u> | <u>399,242</u> | <u>142,753</u> | <u>1,184,294</u> |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Analysis of expenditure by activities

| | Activities undertaken directly 2020 £ | Support costs 2020 £ | Total funds 2020 £ |
|------------------------|---|-------------------------------|-----------------------------|
| Educational Operations | 2,805,480 | 1,341,987 | 4,147,467 |

| | Activities undertaken directly 2019 £ | Support costs 2019 £ | Total funds 2019 £ |
|------------------------|---|-------------------------------|-----------------------------|
| Educational Operations | 2,670,729 | 1,184,294 | 3,855,023 |

Analysis of support costs

| | Educational Operations 2020 £ | Total funds 2020 £ |
|-------------------|--|-----------------------------|
| Staff costs | 570,380 | 570,380 |
| Depreciation | 308,440 | 308,440 |
| Governance Costs | 12,295 | 12,295 |
| Premises Costs | 125,935 | 125,935 |
| Other | 324,937 | 324,937 |
| Total 2020 | 1,341,987 | 1,341,987 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Educational Operations 2019 £</i> | <i>Total funds 2019 £</i> |
|------------------|--|---------------------------------------|
| Staff costs | 631,653 | 631,653 |
| Depreciation | 297,402 | 297,402 |
| Governance Costs | 9,300 | 9,300 |
| Premises Costs | 117,124 | 117,124 |
| Other | 128,815 | 128,815 |
| | <u>1,184,294</u> | <u>1,184,294</u> |

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2020 £ | 2019 £ |
|---------------------------------------|-------------------|-------------------|
| Depreciation of tangible fixed assets | 308,440 | 297,402 |
| Operating lease rentals | 6,350 | 5,293 |
| Fees paid to auditor for: | | |
| - audit | 6,775 | 6,500 |
| - other services | 2,600 | 2,600 |
| | <u>6,775</u> | <u>6,500</u> |

10. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2020 £ | 2019 £ |
|-----------------------|-------------------|-------------------|
| Wages and salaries | 2,091,425 | 2,082,581 |
| Social security costs | 186,806 | 183,981 |
| Pension costs | 645,871 | 500,168 |
| | <u>2,924,102</u> | <u>2,766,730</u> |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Staff (continued)

a. Staff costs (continued)

b. Staff numbers

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

| | 2020 No. | 2019 No. |
|----------------------------|-------------|-------------|
| Teachers | 35 | 31 |
| Administration and support | 70 | 65 |
| | <u>105</u> | <u>96</u> |

c. Higher paid staff

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

| | 2020 No. | 2019 No. |
|--------------------------------|-------------|-------------|
| In the band £70,001 - £80,000 | 1 | - |
| In the band £80,001 - £90,000 | - | 1 |
| In the band £90,001 - £100,000 | 1 | - |

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £447,312 (2019 £455,559).

11. Trustees' remuneration and expenses

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

| | | 2020 £ | 2019 £ |
|----------|----------------------------|-----------------|-----------------|
| S Blay | Remuneration | 90,000 - 95,000 | 85,000 - 90,000 |
| | Pension contributions paid | 15,000 - 20,000 | 10,000 - 15,000 |
| E Parker | Remuneration | 40,000 - 45,000 | 40,000 - 45,000 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Trustees' remuneration and expenses (continued)

| | | | |
|--------------|----------------------------|-----------------|-----------------|
| | Pension contributions paid | 10,000 - 15,000 | 5,000 - 10,000 |
| C Desjardins | Remuneration | | 10,000 - 15,000 |
| | Pension contributions paid | | 0 - 5,000 |

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

12. 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 unlimited cover and the cost for the year ended 31 August 2020 was £11,592 (2019 - £14,914). The cost of this insurance is included in the total insurance cost.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Tangible fixed assets

| | Land & buildings £ | Furniture and fixtures £ | Improvements to buildings £ | Total £ |
|--------------------------|--------------------------|--------------------------------|--------------------------------------|------------|
| Cost or valuation | | | | |
| At 1 September 2019 | 12,733,501 | 324,125 | 339,681 | 13,397,307 |
| Additions | - | 7,233 | 15,935 | 23,168 |
| Disposals | - | (15,421) | - | (15,421) |
| At 31 August 2020 | 12,733,501 | 315,937 | 355,616 | 13,405,054 |
| Depreciation | | | | |
| At 1 September 2019 | 965,886 | 226,325 | 6,794 | 1,199,005 |
| Charge for the year | 243,476 | 58,036 | 6,928 | 308,440 |
| On disposals | - | (11,390) | - | (11,390) |
| At 31 August 2020 | 1,209,362 | 272,971 | 13,722 | 1,496,055 |
| Net book value | | | | |
| At 31 August 2020 | 11,524,139 | 42,966 | 341,894 | 11,908,999 |
| At 31 August 2019 | 11,767,615 | 97,800 | 332,887 | 12,198,302 |

14. Debtors

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Due within one year | | |
| Trade debtors | 4,527 | 7,548 |
| Other debtors | 80,272 | 28,579 |
| Prepayments and accrued income | 28,226 | 101,565 |
| | 113,025 | 137,692 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Creditors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|--|----------------|---------------|
| Trade creditors | - | 188 |
| Accruals and deferred income | 199,583 | 89,998 |
| | <u>199,583</u> | <u>90,186</u> |
| | 2020 £ | 2019 £ |
| Deferred income at 1 September 2019 | 33,395 | 43,225 |
| Resources deferred during the year | 79,451 | 33,395 |
| Amounts released from previous periods | (33,395) | (43,225) |
| | <u>79,451</u> | <u>33,395</u> |

Deferred income consists of grant funding received in advance of entitlement being achieved.

16. Financial instruments

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Financial assets | | |
| Financial assets measured at amortised cost | <u>486,241</u> | <u>222,212</u> |
| | 2020 £ | 2019 £ |
| Financial liabilities | | |
| Financial liabilities measured at amortised cost | <u>114,052</u> | <u>56,603</u> |

Financial assets measured at amortised cost comprise cash at bank, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise accruals.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|---|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General funds | 241,307 | 104,085 | (17,139) | (1,951) | - | 326,302 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | - | 2,625,484 | (2,625,484) | - | - | - |
| Other DfE/ESFA Grants | - | 442,610 | (442,610) | - | - | - |
| Other Government Grants | - | 512,794 | (512,794) | - | - | - |
| Donations | - | 1,000 | (1,000) | - | - | - |
| Pension reserve | (1,313,000) | - | (240,000) | - | 285,000 | (1,268,000) |
| | <u>(1,313,000)</u> | <u>3,581,888</u> | <u>(3,821,888)</u> | <u>-</u> | <u>285,000</u> | <u>(1,268,000)</u> |
| Restricted fixed asset funds | | | | | | |
| Transfer of Land & Buildings | 7,562,208 | - | (154,446) | - | - | 7,407,762 |
| Capex from GAG | 972,962 | - | - | 1,951 | - | 974,913 |
| Devolved Formula Capital Grant | - | 17,186 | - | - | - | 17,186 |
| Capital Maintenance Fund | 154,594 | - | (58,036) | - | - | 96,558 |
| Donated Building | 3,472,162 | - | (89,030) | - | - | 3,383,132 |
| Capital Grant | 36,376 | - | (6,928) | - | - | 29,448 |
| | <u>12,198,302</u> | <u>17,186</u> | <u>(308,440)</u> | <u>1,951</u> | <u>-</u> | <u>11,908,999</u> |
| Total Restricted funds | <u>10,885,302</u> | <u>3,599,074</u> | <u>(4,130,328)</u> | <u>1,951</u> | <u>285,000</u> | <u>10,640,999</u> |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds (continued)

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|--------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Total funds | 11,126,609 | 3,703,159 | (4,147,467) | - | 285,000 | 10,967,301 |

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

General Annual Grant

Under the funding agreement with the Secretary of State, the academy trust must be used for the normal running expenses of the School and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement.

Other DfE/ESFA Grants

Comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other Government Grants

Comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds (continued)

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

| | <i>Balance at 1 September 2018 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Balance at 31 August 2019 £</i> |
|-------------------------------------|--|-------------------------|---------------------------|-----------------------------------|--|
| Unrestricted funds | | | | | |
| General Funds | 255,690 | 124,185 | (117,687) | (20,881) | 241,307 |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 2,419,293 | (2,419,293) | - | - |
| Other DfE/ESFA Grants | - | 367,395 | (367,395) | - | - |
| Other Government Grants | - | 469,246 | (469,246) | - | - |
| Pension reserve | (655,000) | - | (184,000) | (474,000) | (1,313,000) |
| | <u>(655,000)</u> | <u>3,255,934</u> | <u>(3,439,934)</u> | <u>(474,000)</u> | <u>(1,313,000)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer of Land & Buildings | 7,562,208 | - | - | - | 7,562,208 |
| Capex from GAG | 972,962 | - | - | - | 972,962 |
| Devolved Formula Capital Grant | - | 36,376 | - | - | 36,376 |
| Capital Maintenance Fund | 188,180 | 153,905 | (208,372) | 20,881 | 154,594 |
| Donated Building | - | 3,561,192 | (89,030) | - | 3,472,162 |
| | <u>8,723,350</u> | <u>3,751,473</u> | <u>(297,402)</u> | <u>20,881</u> | <u>12,198,302</u> |
| Total Restricted funds | <u>8,068,350</u> | <u>7,007,407</u> | <u>(3,737,336)</u> | <u>(453,119)</u> | <u>10,885,302</u> |
| Total funds | <u><u>8,324,040</u></u> | <u><u>7,131,592</u></u> | <u><u>(3,855,023)</u></u> | <u><u>(474,000)</u></u> | <u><u>11,126,609</u></u> |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 11,908,999 | 11,908,999 |
| Current assets | 525,885 | - | - | 525,885 |
| Creditors due within one year | (199,583) | - | - | (199,583) |
| Provisions for liabilities and charges | - | (1,268,000) | - | (1,268,000) |
| Total | 326,302 | (1,268,000) | 11,908,999 | 10,967,301 |

Analysis of net assets between funds - prior period

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 12,198,302 | 12,198,302 |
| Current assets | 331,493 | - | - | 331,493 |
| Creditors due within one year | (90,186) | - | - | (90,186) |
| Provisions for liabilities and charges | - | (1,313,000) | - | (1,313,000) |
| Total | 241,307 | (1,313,000) | 12,198,302 | 11,126,609 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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

| | 2020 £ | 2019 £ |
|--|----------------|---------------|
| Net (expenditure)/income for the period (as per Statement of financial activities) | (444,308) | 3,276,569 |
| Adjustments for: | | |
| Depreciation charges | 308,440 | 297,402 |
| Dividends, interest and rents from investments | (174) | (770) |
| Loss on the sale of fixed assets | 4,031 | 1,434 |
| Decrease/ (increase) in debtors | 24,667 | 76,875 |
| (Decrease)/ increase in creditors | 109,397 | (17,132) |
| Capital grants from DfE and other capital income | (17,186) | (190,281) |
| Defined benefit pension scheme cost less contributions payable | 214,000 | 164,000 |
| Defined benefit pension scheme finance cost | 26,000 | 20,000 |
| Donated property | - | (3,561,192) |
| Net cash provided by operating activities | 224,867 | 66,905 |

20. Cash flows from investing activities

| | 2020 £ | 2019 £ |
|--|----------------|------------------|
| Dividends, interest and rents from investments | 174 | 770 |
| Purchase of tangible fixed assets | (23,168) | (369,150) |
| Capital grants from DfE Group | 17,186 | 190,281 |
| Net cash used in investing activities | (5,808) | (178,099) |

21. Analysis of cash and cash equivalents

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Cash in hand | 412,860 | 193,801 |
| Total cash and cash equivalents | 412,860 | 193,801 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. Analysis of changes in net debt

| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 193,801 | 219,059 | 412,860 |
| | <u>193,801</u> | <u>219,059</u> | <u>412,860</u> |

23. Pension commitments

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

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

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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £288,284 (2019 - £197,168).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £186,000 (2019 - £181,000), of which employer's contributions totalled £143,000 (2019 - £139,000) and employees' contributions totalled £ 43,000 (2019 - £42,000). The agreed contribution rates for future years are 18.5% per cent for employers and 6.4 - 12.4 per cent for employees.

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

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

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

Principal actuarial assumptions

| | 2020 | 2019 |
|--|------|------|
| | % | % |
| Discount rate for scheme liabilities | 1.70 | 1.80 |
| Rate of increase in salaries | 3.00 | 3.10 |
| Rate of increase for pensions in payment/inflation | 2.20 | 2.30 |
| Inflation assumption (CPI) | 2.20 | 2.30 |

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

| | 2020 | 2019 |
|-----------------------------|-------|-------|
| | Years | Years |
| <i>Retiring today</i> | | |
| Males | 20.5 | 20.6 |
| Females | 23.1 | 23.1 |
| <i>Retiring in 20 years</i> | | |
| Males | 22 | 22 |
| Females | 25 | 24.8 |

Sensitivity analysis

| | 2020 | 2019 |
|----------------------------|------|------|
| | £000 | £000 |
| Discount rate -0.5% | 482 | 449 |
| CPI rate +0.5% | 428 | 381 |
| Salary increase rate +0.5% | 46 | 59 |

Share of scheme assets

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

| | 2020 | 2019 |
|-------------------------------------|------------------|------------------|
| | £ | £ |
| Equities | 1,746,920 | 1,506,880 |
| Bonds | 411,040 | 332,400 |
| Property | 179,830 | 177,280 |
| Other Assets | 231,210 | 199,440 |
| Total market value of assets | 2,569,000 | 2,216,000 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

The actual return on scheme assets was £41,000 (2019 - £57,000).

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

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Current service cost | 214,000 | 128,000 |
| Interest cost | 26,000 | 20,000 |
| Past service cost | - | 36,000 |
| Total amount recognised in the Statement of Financial Activities | 240,000 | 184,000 |

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

| | 2020 £ | 2019 £ |
|--------------------------|------------------|------------------|
| At 1 September | 3,529,000 | 2,623,000 |
| Current service cost | 357,000 | 267,000 |
| Interest cost | 67,000 | 77,000 |
| Employee contributions | 43,000 | 42,000 |
| Actuarial (gains)/losses | (130,000) | 514,000 |
| Benefits paid | (29,000) | (30,000) |
| Past service costs | - | 36,000 |
| At 31 August | 3,837,000 | 3,529,000 |

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

| | 2020 £ | 2019 £ |
|------------------------|------------------|------------------|
| At 1 September | 2,216,000 | 1,968,000 |
| Interest income | 41,000 | 57,000 |
| Actuarial losses | 155,000 | 40,000 |
| Employee contributions | 43,000 | 42,000 |
| Benefits paid | (29,000) | (30,000) |
| Employer contributions | 143,000 | 139,000 |
| At 31 August | 2,569,000 | 2,216,000 |

CROSSACRES PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. Operating lease commitments

At 31 August 2020 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2020 £ | 2019 £ |
|--|--------------|---------------|
| Not later than 1 year | 6,350 | 6,352 |
| Later than 1 year and not later than 5 years | 3,175 | 9,528 |
| | <u>9,525</u> | <u>15,880</u> |

25. Members' liability

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

26. Related party transactions

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

27. Post balance sheet events

The caretakers dwelling has been deemed surplus to the requirements of the academy and this will involve a part surrender of the main lease to the leaseholder Manchester City Council for nil consideration in the year 2020/21. At present it is not possible to attribute a value to the dwelling.