

**Company Registration Number: 07560175 (England & Wales)**

**THE MOUNTBATTEN SCHOOL**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

Mr Sean Flood (appointed 15 March 2021)  
Mr Samuel Longmore (appointed 15 March 2021)  
Mr Michael Murphy (appointed 15 March 2021)  
Mrs Amanda Stevens (appointed 15 March 2021)  
Mrs Jane Thompson (appointed 15 March 2021)  
Mrs Jill Hall (resigned 15 March 2021)  
Mr Mark Edgerley (resigned 15 March 2021)  
Mr Robert Le Grice (resigned 15 March 2021)

**Trustees**

Mrs Jill Hall  
Mrs Heather McIlroy, Executive Headteacher, Accounting Officer and Chief Executive of PBED  
Mr Robert Le Grice, Chair of Audit, Finance and Risk  
Mr Mark Edgerley, Director of PBED  
Mr Andrew Gunn  
Mr Chris Goodrich, Staff Trustee (resigned 6 October 2020)  
Mrs Charlie Fisher, Staff Trustee (resigned 6 October 2020)  
Mr Gavin Rumsey (resigned 6 October 2020)  
Mr Michael Murphy (resigned 6 October 2020)  
Mr Sean Flood (resigned 7 December 2020)  
Mr Christopher Cox, Associate Headteacher - Co-opted (resigned 6 October 2020)  
Mr Sam Longmore  
Mr Paul Urben, Vice Chair of Trustees, Director of PBED  
Mrs Jane Thompson  
Dr Karl Staples (resigned 19 September 2021)  
Sofia Meacham (appointed 19 April 2021)  
Kevin Hartshorn (appointed 19 April 2021)  
Stuart Mcauliffe (appointed 18 November 2021)

**Company registered number**

07560175

**Company name**

The Mountbatten School

**Principal and registered office**

Whitenap Lane  
Romsey  
Hampshire  
SO51 5SY

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Senior Leadership Team** Heather McIlroy, Executive Headteacher  
Christopher Cox, Associate Headteacher  
Andrew Portas, Senior Deputy Headteacher  
Christopher Martin, Deputy Headteacher  
Robert Davenport, Assistant Headteacher  
Ian Dunn, Assistant Headteacher  
Christopher Goodrich, Director of Business Services  
Sian Cumming, Assistant Headteacher

**Company secretary** Christopher Goodrich

**Senior management team** Mrs Heather McIlroy, Executive Headteacher  
Mr Christopher Cox, Associate Headteacher  
Mr Andrew Portas, Senior Deputy Headteacher  
Mr Chris Martin, Deputy Headteacher  
Mr Robert Davenport, Assistant Headteacher  
Mrs Charlie Fisher, Assistant Headteacher  
Mr Ian Dunn, Assistant Headteacher  
Mr Chris Goodrich, Director of Business Services

**Independent auditor** James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

**Bankers** Lloyds Bank Plc  
1 City Road East  
Manchester  
M15 4PU

**Solicitors** Browne Jacobson  
Victoria Square House  
Victoria Square  
Birmingham  
B2 4BU

**THE MOUNTBATTEN SCHOOL**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year beginning 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 trust operates an academy for pupils aged 11 to 16 serving a catchment area in Romsey and surrounding area. It has a pupil capacity of 1420 and had a roll of 1453 in the school census 1 October 2021.

**Structure, governance and management**

**a. Constitution**

The Mountbatten School is a limited company by guarantee with no share capital (registration number 07560175) and an exempt charity. It is not required to be registered with the Charity Commission but it is, however, subject to the Charity Commissioner's regulatory powers which are monitored by the Secretary of State for Education through the ESFA (Education Funding Agency).

The Academy's memorandum and articles of association are the primary governing documents of the academy.

The trustees act as the trustees for the charitable activities of The Mountbatten School and are also the directors of the Charitable Company for the purposes of company law.

The Charitable Company is known as The Mountbatten School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

**Principal Activities**

The principal activity of the Academy is to advance for the public benefit by establishing, maintaining, carrying on, managing and developing a secondary school offering a broad and balanced curriculum.

**Trustees (Trustees)**

The trustees are directors of the charitable company for the purposes of the Companies Act 1985 and trustees for the purposes of charity legislation.

During the 12-month period the trustees have held five meetings and various committee meetings, (the school has five main committees). All trustees receive copies of all key documentation such as policies, budgets and procedures in advance of any meetings. Trustees are attached to faculties and are encouraged to spend time visiting their faculty links.

The Academy has three members who meet annually where the Trustees annual report is presented. During the year we have updated our Articles of Association, from the 15 March 2021 we have five members, three of which are not trustees.

**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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Structure, governance and management (continued)**

**c. Trustees' indemnities**

As part of its overall insurance with Zurich the school has insurance which protects members of the Trustees against claims arising from negligent acts, errors or omissions. The insurance provides cover up to £5,000,000 for any one claim.

**d. Method of recruitment and appointment or election of Trustees**

On 1 April 2011 the Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process. In March 2021 the academy updated its Articles of Association, at that point governors become trustees. The trustees were appointed on a term of office that would end when their original term, thus ensuring a staggered re-election or replacement process.

The Academy shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- up to 6 Trustees who are appointed by the Members;
- up to 2 Parent Trustees who are elected by the parents of registered pupils at the Academy;
- an unlimited number of Co-opted Trustees who are appointed by the Board of Trustees (based on skills need); and
- the Executive Headteacher who is treated for all purposes as being an ex-officio Trustee.

Trustees are appointed for a 4-year period, except that this time limit does not apply to the Executive Headteacher. Subject to remaining eligible to be a particular type of Trustees, any Trustees can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy's development.

**e. Policies adopted for the induction and training of trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. As there are normally only a few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. All new trustees meet with the Chair of Trustees and the Executive Headteacher. New trustees are given a 'buddy' to support them in settling in.

We subscribe to Hampshire Trustee Services who provide a range of courses. We encourage trustees to attend as individuals and also to attend local trustee conferences, an online information service is also available to all Trustees. We have a place in our regular meetings when feedback is encouraged from any trustee who has attended training recently. Every year we hold an in-house Whole Board Training session, a trainer from Trustee Services presents on a subject that has been agreed by the whole Board. We usually also invite members of the senior leadership team to attend these evening sessions. We have an identified trustee who is our Training Liaison Trustee whose role involves coordinating our training as trustees. In the Autumn and Spring terms we hold a "Trustee Experience Day" when all trustees are invited in to school to experience a day around a previously agreed theme, usually following an individual student during a normal school day's activities. It is our policy that every trustee should serve on at least one committee or sub-committee, and care is taken to find the best fit according to the needs of the school and the strengths of the new trustee involved.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Structure, governance and management (continued)**

**f. Organisational structure**

The Executive Headteacher is the Accounting Officer of the Academy Trust.

The Board of Trustees operates a system of clerked Committees with delegated responsibilities. All minutes are presented and reported on at the half termly Board of Trustees.

Major issues will be referred to the Board of Trustees for ratification. (Ref the Board of Trustees' Standing Orders)

The Board of Trustees' sets objectives annually as part of the Mountbatten Improvement Plan (MIP).

Each Committee has a set Terms of Reference agreed by the Board of Trustees and reviewed annually.

**Leadership**

To assist the decision making of the Board of Trustees, by considering strategic issues, contributing to the school's medium and long term planning. This committee facilitates a very close working relationship between the Trustees and the Senior Leadership Team. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees.

**Audit and Risk**

The Audit and Risk committee functions are dealt with separately at the end of the finance meeting. The finance agenda is split to cover the audit functions. The audit committee performs the regularity and probity functions.

**Finance and Estates**

To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees. The meetings of this committee are divided into audit functions and financial matters.

**School Improvement**

To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the academy's teaching and learning including proper planning, monitoring and probity. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees.

**Human Resources**

To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the academy's human resources, including proper planning, monitoring and probity. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees.

**Appraisal & Pay Committee**

To assist the Board of Trustees in the area of staff remuneration, by enabling more detailed and confidential consideration to be given to the Board of Trustees' obligations to ensure sound management of the academy's pay ranges and levels of payment, including proper planning, monitoring the school appraisal process and probity. Any major issues that arise at any Committee meeting will always be referred to the Board of Trustees for ratification. (Ref the Board of Trustees' Standing Orders).

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Structure, governance and management (continued)**

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

SLT Appraisal Process and Salary Review

Annual Appraisal decisions are made by the Pay and Appraisal Committee (PAC) and reported to the Board of Trustees.

July - PAC 1 Pay and Appraisal Policy in readiness for new cycle.

October - PAC 2 Review of Teachers and Support Staff

November - PAC 3 – Review of SLT.

Objectives are set in the Autumn term for all SLT informed by the school improvement plan.

Interim assessments take place throughout the year through line management structure

Formal review takes place at the end of the one-year cycle where evidence is produced by each member of SLT. A report on outcomes and recommendations is produced by the Executive Headteacher (EHT). This is presented to the PAC 3 annually in November

The Executive Headteacher and Associate Headteacher undertake the Appraisal Process for both Deputies and AHT.

Executive Headteacher and Associate Headteacher

The Associate Headteacher objectives are set by EHT in liaison with Chair of PAC. Progress is monitored throughout the year by EHT and reported to PAC

The EHT Pay and Appraisal committee, advised by external consultant, (this year the Principal of a large successful sixth form college) meet to review the EHT objectives. Recommendation based on the extent to which objectives have been met/exceeded are made to the PAC 3 meeting. Pay scales are determined by the PAC in line with the Pay Policy. This is reviewed and published annually. The Pay policy is communicated and signed by all staff annually.

Reports on proposals for all SLT and the Directorate are prepared in detail in readiness for the Autumn 2 HR committee and the PAC 3 Autumn meeting.

**h. Trade union facility time**

No employees were relevant union officials during the year.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Objectives and activities**

**a. Objectives, strategies and activities**

The Board of Trustees believe that one of their most important roles is to provide clear and focused guidance in the area of financial management, ensuring through our monitoring processes we meet the requirements of our regulators, achieve value for money and the very best offering for our students that we can afford.

However, given the nature of our core activity the type of key financial performance indicators used by commercial companies is not deemed appropriate to our activity, our financial objectives are focused on achieving value for money, a steady return from low risk investments and a budget that ensures students receive the full benefit from in year funding allocation.

The nature of state funding for education means that opportunities to seek capital funding will continue to be opportunistic.

The Academy's main objectives for 2021-2022 are to:

- Maintain an excellent education throughout the Covid situation, ensuring that students with learning gaps are supported and achieve academically, supporting students who must learn at home with blended learning activities, supporting their mental health and an effective transition back to school.
- To ensure our response to Covid is informed by the scientific advice of the DfE and PHE.
- Maintain excellent GCSE outcomes for Year 11 students;
- Continue to close the progress gap between disadvantaged and non-disadvantaged students;
- Further develop the campus according to our strategic site development plan;
- Ensure the school continues to remain the school of choice in the locality with strong numbers on roll in all year groups and therefore a strong income position.

**b. Public benefit**

The Mountbatten School is funded by the Education Funding Agency to provide free education to 11 to 16-year-old students from the Romsey and surrounding area. Some activities fall outside of the scope of this core funding, parents and guardians are requested to make voluntary payments for those activities. Where an activity is considered to be essential to a student's education if parents/guardians are unable to fund an activity consideration will be given to meeting the cost from school funds. Where significant numbers are unable to pay it is possible the whole activity would be cancelled.

Some activities such, as musical instrument tuition, is considered to be outside of the scope of our core education offer and is only offered to students who can fund the activity. When possible the school will endeavour to help students, who find funding these activities difficult, seek external funding for this type of activity. Staff and Trustees are considering possible future sources of funding to ensure full access to these activities.

Our trading subsidiary is now firmly established to deliver services using our own facilities and those at other locations. This company now delivers national contracts for central government, Hampshire as well all The Mountbatten School community activity; the company has its own management and support staff structure and receives no funding from our ESFA funding.

The Trustees recognise that the campus exists because of considerable investment of public funds since the original school was constructed in 1969. To that end when pricing of activities aimed at the general community of Romsey charges are generally less than might reasonably be expected to be charged by a totally commercial operation. Trustees consider this policy to be fair given the restrictions we have to impose to ensure our students have priority use of facilities in term time. An example would be membership fees for use of the Fitness Suite which is not available during school hours in term time.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Objectives and activities (continued)**

When considering new sports facilities or major upgrades to existing facilities Trustees' consider the potential for community use and the commercial opportunities new facilities might offer. Our pricing ethos considers the benefits to current students and the young people of the local community who remain our principle target audience.

**a. Strategic Report including Key Performance Indicators**

The School retained its 'Good' judgment in the Ofsted Report of September 2018. It was by some margin the School's most favourable inspection despite the more demanding GCSE examinations.

The next Ofsted Inspection can be expected during the academic year 2022-2023. GCSE examination outcomes in 2021 maintained the School's excellent examination outcomes. Student recruitment to the new Year 7 was strong and has once again necessitated an increase in our operational PAN from 284 to 296.

**1. Teaching & Learning**

Teaching and Learning enjoys a high profile in the school. All members of the SLT undertake timetabled learning walks where day-to-day standards are monitored and all teaching staff have a pedagogy focus which forms the basis of ungraded lesson observations which are undertaken by their peers, Middle Leaders and Senior Leaders throughout the academic year. This is creating an 'Open Door' culture where staff feel empowered to support each other in a non-judgemental environment. The staff are supported by a comprehensive CPD framework with identified strands for ITT, NQT, RQT and whole staff and is complemented by bespoke Middle Leadership and coaching programmes. A weekly 'Learning Thursday' provides whole-school CPD and supports the whole school improvement plan. Teaching and Learning is closely linked to Appraisal and acts as a key driver for school improvement. Student outcomes (based on FFT 20 and 50 targets) form a key factor in Appraisal recommendations and support staff in developing their craft of the classroom alongside a Personal Pedagogy Appraisal Objective. During lockdown, the school moved swiftly into remote learning. Google Classroom is the school's chosen platform for facilitating online learning and is supplemented by screencast lessons (via Loom), live lessons (via Zoom) and a range of interactive web-based learning resources (e.g. Kerboodle, Seneca, ActiveLearn).

**2. Achievement and Performance**

Due to the Government changes to the way GCSE results were produced in 2021, due to the pandemic, there are no national benchmarks for the school's performance. We are, however, able to compare our results to previous years in order to evaluate our success. The school's Progress 8 Score in 2021 was 0.82 when compared to 2019 benchmarks (the last available comparison), which would represent excellent progress. The proportion of students achieving a standard pass in English and Mathematics, another headline measure, remains high at 80%. These are good results when compared to both local and national standards in 2019. The English Baccalaureate Average Points Score remains strong at 4.9.

Students made excellent progress, achieving results above the national average enabling them to access the next appropriate stage of their education. Summary of results:

- Progress 8 Score of 0.82
- Attainment 8 Score of 55.85
- 80% achieving a standard pass in English & Maths
- English Baccalaureate average points score of 4.9

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**(continued)**

3. To maintain a medium / long term plan for The Mountbatten School

Trustees have been part of some major strategic decisions, particularly with regard to curriculum and campus developments. Over the past few years, we were fortunate to be successful with three CIF bids in excess of £2 million for the refurbishment of the science department, changing rooms and gymnasium. Funds have also committed from our reserves for a new build on site.

4. Business Development

Personal Best Education, the trading arm of the Mountbatten School, provides a wide range educational and leisure services aimed at improving the physical and mental well-being of the local community and beyond, whilst generating strong revenue streams to enable significant annual financial contribution to the school to support improvements to facilities and access to a more diverse educational proposition.

In ring-fencing itself from the impact of the COVID pandemic, Personal Best had a successful year in 2020-21 to make a positive financial contribution to the organisation as a whole. This was achieved through building on the success of its established portfolio – NCS, Cycling, Sports & Leisure Coaching, Holiday Camps, Football and Lettings – and successfully expanding its reach into new provision such as funded Holiday Activity Camps in Hampshire, Surrey and Dorset as well as becoming a Gateway provider of the UK Government's Kickstart scheme on behalf of the DWP.

With the continued and gradual opening up from COVID restrictions, Personal Best is well placed to continue to grow in 2021-22, seeking to increase the capacity in the provision of funded Activity Camps, Employability programmes and its other established provision. In addition, with market conditions now more receptive and dependable, it will aim to launch a number of new commercial streams of academic, professional training, cycling, sports and leisure provision for juniors, adults and seniors, as well as finalising the new international proposition ready for market entry in Autumn 2022. The outlook is extremely positive and Personal Best is expected to continue its upward trajectory resulting in increased financial contributions to the Mountbatten School as well as supporting its aims within the wider community.

5. Pastoral Developments (including attendance and Pupil Premium student achievement)

**Attendance**

Last year's attendance figures are greatly affected by the COVID pandemic and no national figures appear to be available. This is understandable, since different areas of the country have been affected in different degrees and comparisons would be unfair. Please note that national comparisons are for the academic year 2018-19. Absenteeism rose from 5.6% to 7.69% compared to a national of 5.5%. Persistent absenteeism is defined as the number of students who are absent for more than 10% of the time. The rate of persistent absenteeism at Mountbatten rose from 18.6% to 24.5%. The national figure for 2018-19 was 13.7%.

Absence rates for SEN and PP students are 22.6% and 13.2%, rising from 13.10% and 8.7% respectively, compared with national figures in 2018-19 of 8.1% and 8.2%. Our attendance and pastoral staff have worked extremely hard to liaise with households over this pandemic period, but we have seen a big increase in anxiety and mental health issues, especially among our SEN students. Improving attendance, especially for our most disadvantaged students is a priority for all staff, especially our designated attendance staff and deputy heads of year.

**Achievement of Pupil Premium Students**

Below are GCSE results for students in receipt of the Pupil Premium 2020-21, compared to 2019-20 (in brackets) based on 2018-19 data in SISRA (the last year that national figures were available, due to COVID lockdown).

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

(continued)

	PP	Non-PP	All students
Boys	0.130 (-0.434)	0.566 (-0.055)	0.522 (-0.110)
Girls	0.735 (0.216)	1.198 (0.594)	1.104 (0.534)
All students	0.543 (-0.101)	0.875 (0.262)	0.824 (0.207)

The data show a large gender gap, similar for PP and Non-PP students, but is positive for all subgroups. We believe that this is due to the excellent preparation and the guidance that students were given: students were very clear about what work would be assessed and how they should prepare for it. This allowed even disadvantaged students to produce better than they would have normally. The Progress 8 figure for this group as a whole is consistent with the progress of all students nationally.

### Exclusions and Behaviour

Exclusions data for the previous academic year are shown below

2020-2021	Number of exclusions	Cumulative days lost	Av'no of days per exclusion	Number of pupils excluded	NOR	Number of Exclusions as % of NOR	Excluded students as % of NOR
Total	130	222	1.71	47	1437	9.05%	3.27%
SEN	13	22	1.69	6	116	11.21%	5.17%
Non-SEN	117	200	1.71	41	1321	8.86%	3.10%
Male	79	145	1.84	33	736	10.73%	4.48%
Female	51	77	1.51	14	701	7.28%	2.00%
Pupil Premium	56	98.5	1.76	18	225	24.89%	8.00%
Non-Pupil Premium	74	123.5	1.67	29	1212	6.11%	2.39%

Exclusion figures were reduced for the last academic year. In part, this was due to attendance, with fewer days in School and fewer students when the school was open. However, it was also due to the Covid-related measures that we needed to put in place, which meant that year groups were separated, reducing opportunities for inter-year group friction. Though we are able to relax some Covid measures this academic year, we have decided to keep some in place (e.g. separation of year groups) because of the benefit we saw last year.

### 6. Special Educational Needs

There are currently 15 students with EHC Plans at The Mountbatten School, with one student with a draft EHC Plan in place, one student with an assessment in place and eighteen additional consults recently received. At the start of the year, the hours stipulated on the EHCPs ranged from 15 hours of support to 36 hours, totalling just over 329 hours of support per week. We continue to see an increase in the complexity of need, which at times has not been addressed at Primary School making the role more challenging.

The new logistics in place around break time arrangements appear to have supported the new starters with SEN, particularly Year 7, as it has helped them to transition to the larger site and busier social areas.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**(continued)**

In addition to the students with EHC Plans, students across the school with a range of special educational needs require the support of the Learning Support team. There is a greater level of need identified by both parents and Primary Schools. The team of teaching assistants bring a range of experience and subject specialisms and are very good at developing positive working relationships with the students. The Assistant SENCo adds another dimension of leadership to this evolving faculty.

As COVID-19 restrictions have lifted we have been able to start to return to more normal practices for intervention and support from external agencies.

**7. Safeguarding**

Following a challenging academic year (2019-20) for safeguarding with the arrival of Covid-19, the school amended its Child Protection and Safeguarding Policies to suit the circumstances under which the school was working. This meant that all children could be safeguarded no matter whether the school was fully/partially open or all students were working remotely. The use of CPOMs allowed the DSLs to have accurate and up-to-date records for children and allowed a seamless transition to blended learning.

The school has seen an unprecedented increase in the safeguarding concerns surrounding our students, especially amongst those pertaining to mental health and domestic violence. We have never experienced such complex cases at the highest level, of child protection and have welcomed the advice and guidance provided by Quickcall from Browne Jacobson when working on such cases.

The school introduced the #NotOk campaign and have been using the findings from student voice, and the June 2021 Ofsted report into this issue to remove any potential barriers to reporting concerns around sexual harassment/sexual abuse, which in turn, increases the workload of the safeguarding team. Following the Student Services health check, additional capacity will be built into the Student Services team to further support students as they emerge from the pandemic, as it is likely that disclosures relating to the lockdowns will continue for some time. The school will increase the counselling service from Youth in Romsey to four days onsite for the 2021-22 academic year.

**8. The Development of the Music Academy**

As we begin to emerge from the restrictions imposed as a result of the pandemic we have encountered a number of challenges, but have also received a lot of support in our quest for a return to something like normality. Outreach work into our feeder Primary schools has picked up, but has not yet returned to pre-pandemic levels. All of our extra-curricular activities have now resumed (with COVID safety measures in place following government guidelines), and before the October half-term we were able to stage our first concert since December 2019 in Romsey Abbey. The Mountbatten Community Choir has also resumed rehearsals, with just over 100 adults attending each week. Peripatetic instrumental/vocal lessons have resumed, with social distancing between teacher and students still in place. Numbers dropped off dramatically during the various lockdowns, but have begun to increase as the new cohort settle into school. Peripatetic teachers are still working from behind screens, due to the risk of aerosol spread from wind instruments and singers, and the necessity of working in a confined space. Student engagement with class Music lessons has never been so strong, and we have seen numbers of students opting for the subject in Year 9 increase significantly, so that we are currently running 5 classes of Music as opposed to the 3 that we ran last year. We are consequently expecting an increased uptake for KS4 next September as a result of this.

We plan to appoint an additional member of the Music Academy team early in 2022 to facilitate the expansion of our work. Plans include establishing a Saturday Music school, and closer links with partner organisations such as HM Royal Marines Band Service, where we now have 5 former students serving, and Hampshire Music Service.

We are currently looking at new strands of delivery, and exploring new funding streams to facilitate this.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**(continued)**

9. The Development of the Sports Academy

The new Sports Academy has been affected by the pandemic and the progress made in establishing the Academy has been put on hold for the majority of 2020-21.

This has given the faculty time to review our plans for the Academy and align our vision.

We have relaunched the Sports Academy in September 2021 with a clear vision and focus around participation, performance and pathways. Collaboratively we have created our mission statement 'To create a culture of participation, performance and sporting development'.

We strongly believe that due to the lockdowns we need to engage students back into PE & Sport and create new active habits of exercise. Therefore, our focus in Lower School was to create a broad and rich extra-curricular timetable that allowed our students to be engaged and have the opportunity to participate within interhouse and interschool competition.

Our academy teams have been restarted in Rugby, Football & Netball in Lower & Upper School. Participation to those clubs and other recreational clubs have been superb and commitment levels have increased post pandemic restrictions.

A key focus area of the academy teams and Upper School Academy students was to develop students' strength and conditioning to improve them as athletes. The purchase of the new S&C equipment in February 2020 meant that Upper School Academy students would be given access to the suite. Unfortunately, due to the pandemic and restrictions we could not make use of the suite and due to ongoing building work, we had to find a more permanent home for the S&C suite. We have recently created a new S&C suite in the back of the Dance studio, which is now fully equipped and ready for students to access.

One strand of the Sports Academy model is to develop and support High Performance Athletes. We started this process in 2019-20 with mentoring of students and giving them access to Bath Universities' Sport in Action Scheme. Unfortunately, our follow up with Bath University never materialised due to the national lockdowns and school closure. However, during the second lockdown we continued to support our High-Performance students with their academic studies by mentoring them within school and via zoom calls.

10. 3D Curriculum

At The Mountbatten School we know that we achieve excellent test and examination results. What makes our school special is that we value other qualities and characteristics just as highly as academic success.

We prepare students to become:

- Rounded individuals of integrity
- Successful in the world of work
- Happy and fulfilled young people

The 3D Curriculum is how we describe the qualities and characteristics that we value, develop and reward in every aspect of school life.

The 3D Curriculum

**WE CARE – We are:**

Compassionate – caring for and supporting others

Resilient – keeping going and doing our best, even when things get tricky

Cooperative – working with others to succeed together

Thoughtful – thinking carefully about our opinions and actions

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**(continued)**

WE RESPECT – We show:

Excitement – by being enthusiastic and putting effort into our learning

Curiosity – by showing interest in everything and asking questions

Independence – by taking responsibility for our learning and our decisions

Tolerance – by understanding that others are different to us, not better or worse

WE ACHIEVE – We become:

Leaders – taking action and inspiring others to make the world a better place

Communicators – listening, and using words to make ourselves understood

Problem-solvers – using all our skills and learning to find solutions

Creators – using our imaginations to make (and think) new things

**b. Going concern**

The governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. The half termly monitoring information, 5-year financial planning processes and the annual accounts have informed this statement. The trust has assessed the risk of COVID-19 and have concluded that the risk is minimal. For this reason, it continues to adopt the going concern basis in the preparation of financial statements.

The Academy has a working balance at the end of the period of £945K (excluding the LGPS pension liability).

**c. Key performance indicators**

Although the Academy's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding, the main financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2021, the balance of the GAG Restricted Fund was £124,321.

As the majority of the Academy's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted above, pupil numbers at the most recent census were 1,453 which is an increase of 13 from the previous census.

As a result, the ratio of GAG funding per pupil was £4,900 for the period.

Staffing costs are another key performance indicator for the Academy and the percentage of total staff costs to GAG funding for the period was 97.2%, while the percentage of staff costs to total costs was 78.9%.

**a. Financial review**

The majority of the academy's income is obtained from the ESFA in the form of the General Annual Grant, this is split between school budget share and rates allowance, the funds are restricted as shown in the statement of financial activities. The academy also receives other income and grants such as pupil premium and Low Incidence (Special needs funding) which still comes from the Local Authority and in accordance with SORP (Statement of Recommended Practice) these items are also shown in the statement of financial activities as restricted funding. Any other items of funding have been assigned in the financial statements in accordance with the guidelines set down by SORP.

During the period 1 September 2020 - 31 August 2021 the total expenditure of £10,250,055 was covered by the General Annual Grant along with other incoming resources. The net current assets for the period are £1,849,523. The School Investments have all been in low risk Deposit Accounts, due to current market conditions and low interest rates the return has been low.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

The accruals for this period were £451K with outstanding payments to contractors for our major capital project, HMRC and pension providers making up the majority of this amount.

The majority of the school's expenditure has been salary and buildings payments. Any expenditure for key objectives will be implemented over the next 12 months in line with the Mountbatten Improvement Plan.

At 31 August 2021 the net book value of fixed assets was £27,624,831 of which £27,466,416 is for land and buildings. The assets were used to provide education/community facilities and the associated support services to the students of The Mountbatten School and its wider community.

This year has seen an increase in the pension liability by £251,000 to £3,844,000 (2020: £3,593,000).

**b. Reserves policy**

The Trustees' policy is to review the levels of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The policy of the Governing body is to maintain a level of reserves that will be adequate to provide a stable base for continuing the operation of the Academy whilst ensuring excessive funds are not accumulated. The main aim of the Academy is to ensure that the level of curriculum provision will be maintained in future years. The Governing Body uses the 5-year plan to inform the decision making. There is a commitment to ensuring regular capital investment (whilst balances allow), to improve facilities to meet long term development plans.

Reserves have been used to appoint architects to prepare a site feasibility plan to ensure future capital projects will provide the best value. For any capital project, we wish to undertake detailed, costed plans are prepared prior to bidding for the funds.

The total reserves held at 31 August 2021 are £25,616k Restricted £124K (excluding pension) and unrestricted reserves £821K

The unrestricted reserves include a sum of £175K which has been transferred to fixed assets as a sink fund for the 3G pitch. There is also a capital project fund of £716k to develop the school's estate. This fund aims to:

- Improve the student and staff toilet facilities in the main block
- School contribution to a heating Condition Improvement Fund bid
- New build to improve site security, office and classroom accommodation

The Trustees are concerned that reserves are reducing annually due to lack of funding being received to meet core provision. The board are continuing to closely monitor the five-year plan.

**c. Investment policy**

The school aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the school aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no tangible risk to the loss of these cash funds.

**Purposes**

- To ensure adequate cash balances are maintained in the current account to cover day to-day working capital requirements
- To ensure there is no tangible risk of loss in the capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds

Investments were held in short term bonds and 90-day savings accounts. Total investment income received for year ending 31 August 2021 was £1,516.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**d. Principal risks and uncertainties**

The Board of Trustees have adopted a Risk Management Policy and delegates the monitoring and reporting of matters covered by the policy to the Audit, Finance and Risk Committee.

Principal risks relate to funding uncertainties and student numbers. Future major housing proposals will protect our student numbers, however the risk of these being delayed could have an adverse effect on our income. To ensure that we can maintain current income levels we have increased our intake from 284 to 296.

The Audit, Finance and Risk Committee has developed a process to identify financial and operational risks and drawn these up as a Risk Register which includes appropriate mitigations for risks that are agreed with the SLT.

Areas of principal risk monitored and mitigated for are:

- Impact of COVID-19 on staff and students. Risk assessments are in place to manage all scenarios.
- Losing highly skilled staff in key leadership positions. We have put succession planning measures in place to reduce the risk.
- Failing to maintain student numbers at PAN
- Loss of reputation through poor publicity related to incidents we should control
- Drop of standards identified in formal external assessment, for example Ofsted inspections
- Unexpected reduction of core funding
- A Health and Safety incident especially if proved to be caused by a management failure
- Failing to achieve excellent examination results
- Inappropriate operational decisions from SLT and poor decision making by the Board of Trustees or the principal committees
- Failing to implement effective communication processes

A five-year budget plan is produced, this is reviewed and updated regularly as circumstances change. All budget expenditure is scrutinised in close detail to ensure that overspends do not occur.

Budgets are always set based on needs.

Actual and Forecast key financial performance indicators, using ESFA benchmark data, are reported to the Audit, Finance and Risk Committee twice yearly.

**e. Covid-19 Impact**

Following the enforced closure in March 2020 remote teaching was introduced for all students and was used as necessary during the year ending 31 August 2021. This presented challenges which were met with a high level of professionalism and practicality by all staff and supported by students and their parents.

Teaching and learning needed to be adapted due to control measures. This was most notable in practical subjects due to additional steps having to be in place to reduce transmission. We organised our school into year group bubbles, as per the DfE guidance and kept as many classes together as possible in the lower school. Each year group had their own set of classrooms and only moved for specialist teaching in expressive arts, technology and IT. Therefore, for English, maths, science and humanities lessons students in Years 7, and 8 were in the same class and not set for the discreet subjects. In Year 9 this was the same for English, maths and science. As a result of this science was not taught in science laboratories until after the Year 11 students had left. This meant students took part in science practical experiments less often and some practical lessons were not possible at all.

A one-way system around the school site was introduced. The school day was altered to allow the separation of year groups at break and lunchtime. We had to introduce grab and go system in our canteen with access times for each year group, this is something we have incorporated into the 2021-22 academic year.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

In classroom based lessons students were sat in rows to minimise transmission as per DfE guidance. This impacted the collaborative learning opportunities and discussions in the classrooms. Students wearing masks also had an impact on this and teachers worked hard to find alternative ways for collaboration, through online resources for example.

Uniform expectations were adapted so students could attend school in their PE kit to enable them to take part in practical lessons. In PE, extra-curricular sports fixtures did not take place and there were limitations on the sports and activities that could be studied.

For students the lack of external exams in Year 11 for the second year caused both anxiety and extra work. Robust careers support was in place and accessible to all students both before, on and after results day. In the absence of formal examinations all school were asked to submit Centre Assessed Grades for each student. There were clear guidelines and expectations set down. This process was followed robustly and with integrity. The final outcomes were inline largely with historical data although direct comparisons have not and should not be applied this year.

We have had to cancel trips and visits but there are plans to re-introduce these as soon as it is safe to travel and plan again. There is an awareness that all the children have missed out on opportunities.

The school has provided support and guidance to staff who were anxious about working in school during Covid-19 with all students back. Detailed risk assessments were prepared and reviewed. All staff were made aware of who to ask if they had any concerns.

The issue of Free School Meal vouchers to those isolating created extra work, as did the issue of vouchers over the holidays. This was made worse at times by the late notice of the introduction of the schemes.

The cost to the school of making both school sites Covid-19 secure have been high, with the purchase of items including hand sanitiser, wipes, extra cleaning materials and plastic for screens. We employed an extra member of staff to ensure the school is kept clean during the day. There is also an issue with the supply of these products and increasing costs due to the increased demand. These costs have been paid by the schools and are not able to be claimed back from the DfE.

#### **f. Risk Management**

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (such as in relation to teaching, health & safety and school trips) and in relation to the control of finances. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

#### **Financial and Risk Management Objectives and Policies**

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by the Trustees and include the financial risks to the Academy. The Risk Register and Risk Management Plan are constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Trustees have ensured the Academy has adequate insurance cover.

Whilst the Academy is currently over subscribed, risks to revenue funding from a falling roll are small. However, the current freeze on the Governments overall education budget, changes in funding arrangements for special educational needs and the increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees examine the financial health of the Academy formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance and Resources Committee meetings.

At the balance sheet date, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy's liquidity.

**Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

**Plans for future periods**

The Board of Trustees takes a prudent 'worst case scenario' view in terms of likely school budget settlements and has a prudent five-year rolling financial plan. Additional funding streams are being pursued which will enhance the Personal Best Education offer, and see future site developments.

The Academy has established a Strategic Estate Development Group to co-ordinate bids, plan for the possibility of increases in student numbers, and ensure the buildings and site serve the school's core purpose.

There are a number of longer-term strategic issues which the school is planning:

- Consideration of additional school joining our Multi Academy Trust (including a likely new primary school).
- Continued development of the Music and Sports Academy to mirror the success.
- Consideration of developing links with schools abroad in a strategic partnership.
- Continued development of the school estate to include major capital works to improve office and classroom accommodation.

**Funds held as custodian on behalf of others**

The Academy and its Governors do not act as Custodian Trustees of any other charity.

**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.

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

.....  
**Mrs Jill Hall**  
Chair of Trustees  
Date:

**THE MOUNTBATTEN SCHOOL**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that The Mountbatten School 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 Executive Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Mountbatten School 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 5 times during the year.

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

Name	Date Appointed	End of Term of Office	Committees	Number of Meetings attended
Mrs Jill Hall (Chair)	01/09/2018	31/08/2022	Board of Trustees Audit, Finance and Risk School Improvement Pay and Conditions Human Resources Leadership	5/5 6/6 6/6 3/3 3/3 3/3
Mr Mark Edgerley	01/04/2018	31/03/2022	Board of Trustees Audit, Finance and Risk Human Resources Pay and Conditions Leadership	5/5 6/6 3/3 3/3 3/3
Mr Chris Cox	01/09/2020	Resigned 06/10/2020	Board of Trustees	1/1
Mrs Charlie Fisher	26/03/2018	Resigned 06/10/2020	Board of Trustees School Improvement	0/1 1/1
Mr Sean Flood	14/12/2016	Resigned 07/12/2020	Board of Trustees Audit, Finance and Risk	2/2 2/2
Mr Chris Goodrich	06/10/2016	Resigned 06/10/2020	Board of Trustees Audit, Finance and Risk	1/1 1/1
Mr Andy Gunn	11/03/2017	10/03/2021	Board of Trustees School Improvement Leadership	5/6 6/6 3/3
Mr Robert Le Grice	03/10/2015	02/10/2023	Board of Trustees Audit, Finance and Risk Human Resources Pay and Conditions Leadership	5/5 5/6 2/3 2/3 3/3

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Mrs Heather McIlroy	None	None	Board of Trustees Audit, Finance and Risk School Improvement Pay and Conditions Human Resources Leadership	5/5 6/6 5/5 3/3 3/3 3/3
Mr Michael Murphy	09/02/2017	Resigned 06/10/2020	Board of Trustees Audit, Finance and Risk	1/1 1/1
Dr Karl Staples	09/02/2017	08/02/2021	Board of Trustees School Improvement	4/5 5/5
Mrs Jane Thompson	09/11/2016	08/11/2020	Board of Trustees School Improvement Human Resources	3/5 6/6 3/3
Mr Paul Urben	19/09/2014	18/09/2022	Board of Trustees Audit, Finance and Risk Leadership	5/5 5/6 3/3
Mr Sam Longmore	01/08/2019	31/07/2023	Board of Trustees Audit, Finance and Risk School Improvement	5/5 5/6 5/6
Mr Gavin Rumsey	31/01/2018	Resigned 06/10/2020	Board of Trustees SIC	0/1 1/1
Mr Kevin Hartshorn	19/04/2021	18/04/2025	Board of Trustees Audit, Finance and Risk School Improvement	2/2 2/2 1/2
Mrs Sofia Meacham	19/04/2021	18/04/2025	Board of Trustees School Improvement	0/2 1/2

The Audit & Finance Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the Board of Governors', by enabling more detailed consideration to be given to all financial matters and ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. It also performs an audit and monitoring role for all financial transactions undertaken and monitor procurement to ensure that the Academy is following best value principles.

At least once a term the Audit functions of the committee appear as a separate section on the agenda.

Attendance during the year at meetings was as follows:

<b>Trustee</b>	<b>Attendance</b>	<b>Out of a possible</b>
Mrs Jill Hall	6	6
Mr Mark Edgerley	6	6
Mr Robert Le Grice (Chair)	5	6
Mrs Heather McIlroy	6	6
Mr Paul Urben	5	6
Mr Chris Goodrich	1	1
Mr Sam Longmore	5	6
Mr Michael Murphy	1	1
Mr Sean Flood	2	2
Mr Kevin Hartshorn	2	2

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Governance Reviews**

As part of the internal scrutiny work in the 2019-20 academic year a full governance review was undertaken by Browne Jacobson. During the 2020-21 academic year the governing board worked to implement the recommendations of the governance review.

In March 2021 our Articles of Association and funding agreement were updated. This brought us in line with the DfE's recommended governance structure. We now have the separation of members and trustees. Only two of the five members are also trustees. The only member of staff who is a trustee is the Executive Headteacher.

As this new governance structure beds in, the trustees will undertake a self-evaluation exercise in the summer term 2022.

**Review of value for money**

As accounting officer, the Executive Headteacher 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 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:

**Principals**

- Senior staff and governors are given regular management accounts to track, and hold to account, the finances of the Academy. These reports are used to make informed decisions about the best use of the Academy funds. A schedule of delegation is reviewed and ratified annually by the Full Governing Body.
- The Audit and Finance Committee received detailed monitoring reports half termly showing expenditure against budget. The Business Manager/Director of Finance is challenged on any exceptional items. The members of the Audit and Finance committee are drawn from various business backgrounds with both the knowledge and ability to challenge financial decisions made by the executive staff of the Academy.
- Development of trading subsidiary that has been awarded National Contracts thereby generating additional income which is spent on the development of Academy facilities.
- In addition to External Auditors, Responsible Officer checks are undertaken on the school's finances and a report submitted to the Governors' Audit and Finance Committee.
- Strong internal controls are in place to ensure that all ordering is signed off by budget holders with final authorisation by the School Business Manager/Director of Finance. The budget holders are tasked with running their department on a prudent budget but to maintain and improve the learning and teaching environment and exam results. Resources are shared where appropriate.
- When significant expenditure is due to take place different options are appraised and competitive quotations (normally 3) are sought to ensure that the best value for money is obtained and that the investment will generate the best possible results for the Academy. Large expenditure projects outside the authorisation limits are taken to the Audit and Finance Committee for approval. A full tender process is followed if expenditure exceeds the OJEU thresholds. Where appropriate the Audit and Finance Committee will analyse tender returns and interview a shortlist of companies prior to awarding the contract.
- Staffing budget and deployment of staff is reviewed annually by the Governors HR Committee.
- The Academy works with other Academies in the Hampshire network to obtain best value for money in service contracts. Benchmarking is undertaken where appropriate.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money (continued)**

Specific Examples

- Six successful ESFA projects have, as well as upgrading teaching and learning environment, reduced costs on heating and future maintenance burden.
- Surplus cash is invested in safe short term deposits to generate additional income. Investment report is reviewed by the Audit and Finance Committee at their half termly meeting.
- Site Manager has successfully created a close working relationship with the probation service – small grounds projects are undertaken for the cost of materials only.
- Internal refurbishment of school buildings is part of an annual programme to maintain a good learning environment.
- Robust admission systems and control of the waiting list ensures that school is always full, thereby maximising income.
- We use central procurement services (Hampshire County Council and CPC) which allow us to obtain best value and take advantage of economies of scale.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Mountbatten School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate these risks. The Governing Body is of the view that there is a recognised, on-going process for identifying and managing the Academy Trust's significant risks that have been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

**The risk and control framework**

The school'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 which are clearly set out in the school's Financial Regulations Policy. 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
- delegation of authority and segregation of duties and identification and management of risks

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, they will engage with external companies to carry out the internal scrutiny work as informed by the risk register. HWB chartered accountants were employed to carry out the majority of this work. This involved the following areas:

- Procurement
- Payroll and HR

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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

- Capital Projects
- Health and safety

The report was presented to the Audit and Finance Committee with key findings and recommendations. These have been considered by the committee and implemented where necessary.

**Review of effectiveness**

As accounting officer, the Executive 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 external auditor;
- the financial management and governance self-assessment process;
- the internal scrutiny works;
- 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 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 and signed on their behalf by:

.....  
**Mrs Jill Hall**  
Chair of Trustees  
Date:

.....  
**Mrs Heather McIlroy**  
Accounting Officer  
Date:



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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of The Mountbatten School 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 2020.

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 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.

.....  
**Heather McIlroy**  
Accounting Officer  
Date:

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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 Group and the charitable company and of their incoming resources and application of resources, including their 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 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group'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 and signed on its behalf by:

.....  
**Mrs Jill Hall**  
Chair of trustees  
Date:

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MOUNTBATTEN SCHOOL**

**Opinion**

We have audited the financial statements of The Mountbatten School (the 'parent academy') and its subsidiaries (the 'Group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated 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 2020 to 2021 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 Group's and of the parent academy's affairs as at 31 August 2021 and of the Group's 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 2020 to 2021 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MOUNTBATTEN SCHOOL (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

- the parent academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy 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 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 Group's and the parent 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 Group or the parent academy or to cease operations, or have no realistic alternative but to do so.

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MOUNTBATTEN SCHOOL (CONTINUED)**

**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.

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.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MOUNTBATTEN SCHOOL (CONTINUED)**

**Use of our report**

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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.

**Darren O'Connor BSc (Hons) FCCA ACA (Senior statutory auditor)**

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

Date:

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
MOUNTBATTEN SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Mountbatten School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Mountbatten School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Mountbatten School's funding agreement with the Secretary of State for Education dated 24 March 2011 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 year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the governors to assess the internal controls throughout the year.

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
MOUNTBATTEN SCHOOL 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 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.

**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor

Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

Date:



**THE MOUNTBATTEN SCHOOL**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and capital grants	3	748	-	340,493	16,750
Charitable activities		228,973	8,085,978	-	7,738,078
Other trading activities		1,823,386	-	-	1,595,265
Investments	6	1,516	-	-	3,739
<b>Total income</b>	<b>2,054,623</b>	<b>8,085,978</b>	<b>340,493</b>	<b>10,481,094</b>	<b>9,353,832</b>
<b>Expenditure on:</b>					
Raising funds		1,351,943	-	-	1,442,868
Charitable activities		13,081	8,347,725	537,306	8,484,090
<b>Total expenditure</b>		<b>1,365,024</b>	<b>8,347,725</b>	<b>537,306</b>	<b>9,926,958</b>
<b>Net income/(expenditure) before taxation</b>		<b>689,599</b>	<b>(261,747)</b>	<b>(196,813)</b>	<b>231,039</b>
Taxation		(3,773)	-	-	(3,773)
<b>Net income/(expenditure) after taxation</b>		<b>685,826</b>	<b>(261,747)</b>	<b>(196,813)</b>	<b>227,266</b>
Transfers between funds	20	(961,829)	-	961,829	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(276,003)</b>	<b>(261,747)</b>	<b>765,016</b>	<b>227,266</b>
<b>Other recognised gains/(losses):</b>					
Actuarial gains/(losses) on defined benefit pension schemes	26	-	121,000	-	121,000
<b>Net movement in funds</b>		<b>(276,003)</b>	<b>(140,747)</b>	<b>765,016</b>	<b>348,266</b>

**THE MOUNTBATTEN SCHOOL**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT) (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Reconciliation of funds:</b>					
Total funds brought forward	1,096,682	(3,578,932)	27,750,534	25,268,284	26,430,410
Net movement in funds	(276,003)	(140,747)	765,016	348,266	(1,162,126)
<b>Total funds carried forward</b>	<u>820,679</u>	<u>(3,719,679)</u>	<u>28,515,550</u>	<u>25,616,550</u>	<u>25,268,284</u>

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

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07560175**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	27,624,831	27,621,994
<b>Current assets</b>			
Stocks	15	3,479	3,479
Debtors	16	570,357	369,770
Investments	17	767,163	766,068
Cash at bank and in hand		1,436,738	1,171,580
		<u>2,777,737</u>	<u>2,310,897</u>
Creditors: due within one year	18	(928,214)	(1,055,159)
<b>Net current assets</b>		<u>1,849,523</u>	<u>1,255,738</u>
<b>Total assets less current liabilities</b>		<u>29,474,354</u>	<u>28,877,732</u>
Creditors: due after more than one year	19	(13,804)	(16,448)
<b>Net assets excluding pension liability</b>		<u>29,460,550</u>	<u>28,861,284</u>
Defined benefit pension scheme liability	26	(3,844,000)	(3,593,000)
<b>Total net assets</b>		<u><u>25,616,550</u></u>	<u><u>25,268,284</u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	28,515,550	27,750,534
Restricted income funds	20	124,321	14,068
Pension reserve	20	(3,844,000)	(3,593,000)
<b>Total restricted funds</b>	20	<u>24,795,871</u>	<u>24,171,602</u>
<b>Unrestricted income funds</b>	20	820,679	1,096,682
<b>Total funds</b>		<u><u>25,616,550</u></u>	<u><u>25,268,284</u></u>

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07560175**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

The financial statements on pages 31 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....  
**Mrs Jill Hall**  
Chair of Trustees

Date:

The notes on pages 38 to 64 form part of these financial statements.

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07560175**

**ACADEMY BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	27,623,759	27,600,534
Investments	14	1	1
		27,623,760	27,600,535
<b>Current assets</b>			
Debtors	16	1,024,787	637,198
Investments	17	767,163	766,068
Cash at bank and in hand		719,686	488,692
		2,511,636	1,891,958
Creditors: amounts falling due within one year	18	(661,314)	(615,032)
		1,850,322	1,276,926
<b>Net current assets</b>			
		29,474,082	28,877,461
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	19	(13,804)	(16,448)
		29,460,278	28,861,013
<b>Net assets excluding pension liability</b>			
Defined benefit pension scheme liability	26	(3,844,000)	(3,593,000)
		25,616,278	25,268,013
<b>Total net assets</b>			
		25,616,278	25,268,013
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	28,515,550	27,750,535
Restricted income funds	20	124,321	14,068
Pension reserve	20	(3,844,000)	(3,593,000)
		24,795,871	24,171,603
<b>Total restricted funds</b>	20	24,795,871	24,171,603
Total unrestricted funds	20	820,407	1,096,410
		820,407	1,096,410
<b>Total unrestricted funds</b>	20	820,407	1,096,410
		25,616,278	25,268,013
<b>Total funds</b>			

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07560175**

**ACADEMY BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

The financial statements on pages 31 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....  
**Mrs Jill Hall**  
Chair of Trustees

Date:

The notes on pages 38 to 64 form part of these financial statements.

**THE MOUNTBATTEN SCHOOL**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	<b>824,173</b>	513,014
<b>Cash flows from investing activities</b>	23	<b>(559,015)</b>	(52,535)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>265,158</b>	460,479
Cash and cash equivalents at the beginning of the year		<b>1,171,580</b>	711,101
<b>Cash and cash equivalents at the end of the year</b>	24, 25	<b>1,436,738</b>	1,171,580
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 38 to 64 form part of these financial statements

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies**

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

**1.1 Basis of preparation 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The academy's net movement in funds for the year was £348,266 (2020 - £(1,162,126)).

**1.2 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.

**1.3 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group 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.



**THE MOUNTBATTEN SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies (continued)**

**1.4 Income**

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

• **Grants**

Grants are included in the Consolidated 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 Consolidated 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.

• **Other income**

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

**1.5 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.

**1.6 Expenditure**

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

• **Expenditure on raising funds**

This includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies (continued)**

**1.6 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.7 Taxation**

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

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

**1.8 Tangible fixed assets**

Assets costing £5,000 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 Consolidated 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 Consolidated 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 on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long term leasehold property	- Buildings - Straight line over 50 years. Leasehold land - Straight line over 125 years
Furniture and equipment	- Straight line over 3 - 5 years
Motor vehicles	- Straight line over 5 years
Asset under construction	- N/a

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 Consolidated statement of financial activities.

**THE MOUNTBATTEN SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies (continued)**

**1.9 Investments**

Investments in subsidiaries in the academy's own balance sheet are valued at cost less provision for impairment.

**1.10 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.

**1.11 Cash at bank and in hand**

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

**1.12 Financial instruments**

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

**1.13 Pensions**

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated statement of financial activities and

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**1. Accounting policies (continued)**

**1.13 Pensions (continued)**

comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.14 Operating leases**

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

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Operating lease commitments

The academy trust has entered into commercial lease contracts and as a lessee it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the academy trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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**3. Income from donations and capital grants**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations	748	-	<b>748</b>	-
Capital Grants	-	340,493	<b>340,493</b>	16,750
<b>Total 2021</b>	<u>748</u>	<u>340,493</u>	<u><b>341,241</b></u>	<u>16,750</u>
Total 2020	<u>-</u>	<u>16,750</u>	<u>16,750</u>	

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**4. Funding for the academy's educational operations**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	7,120,000	<b>7,120,000</b>	6,729,824
Other DfE/ESFA grants				
Pupil premium	-	188,736	<b>188,736</b>	196,143
Rates relief	-	39,424	<b>39,424</b>	38,027
Other DfE/ESFA grants	-	413,903	<b>413,903</b>	376,936
	-	7,762,063	<b>7,762,063</b>	7,340,930
<b>Other Government grants</b>				
Local authority income	-	96,172	<b>96,172</b>	30,217
Other income from the academy trust's educational operations	124,575	53,510	<b>178,085</b>	261,213
	124,575	149,682	<b>274,257</b>	291,430
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up Premium	-	174,233	<b>174,233</b>	17,718
	-	174,233	<b>174,233</b>	17,718
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Coronavirus Job Retention Scheme grant	104,398	-	<b>104,398</b>	88,000
	104,398	-	<b>104,398</b>	88,000
	228,973	8,085,978	<b>8,314,951</b>	7,738,078
Total 2020	323,163	7,414,915	7,738,078	

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

The academy received £174,233 of funding for catch-up premium and costs incurred in respect of this funding totalled £174,233.

The academy furloughed some of its support staff under the government's CJRS. The funding received of £104,398 (2020: £88,000) relates to staff costs in respect of staff which are included within note 10 below as appropriate.

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**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Fundraising events	29,530	<b>29,530</b>	88,750
Other income	31,789	<b>31,789</b>	20,532
Trading subsidiary income	1,762,067	<b>1,762,067</b>	1,485,983
<b>Total 2021</b>	<u>1,823,386</u>	<u><b>1,823,386</b></u>	<u>1,595,265</u>
Total 2020	<u>1,595,265</u>	<u>1,595,265</u>	

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Bank interest receivable	1,516	<b>1,516</b>	3,739

**7. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	Total 2020 £
Fundraising trading activities:					
Direct costs	848,757	20,388	482,798	<b>1,351,943</b>	1,442,868
Educational operations:					
Direct costs	5,779,645	537,306	470,795	<b>6,787,746</b>	6,532,016
Support costs	1,142,328	531,195	436,843	<b>2,110,366</b>	1,952,074
<b>Total 2021</b>	<u>7,770,730</u>	<u>1,088,889</u>	<u>1,390,436</u>	<u><b>10,250,055</b></u>	<u>9,926,958</u>
Total 2020	<u>7,410,777</u>	<u>971,086</u>	<u>1,545,095</u>	<u>9,926,958</u>	

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**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Educational operations	6,787,746	2,110,366	<b>8,898,112</b>	8,484,090
Total 2020	<u>6,532,016</u>	<u>1,952,074</u>	<u>8,484,090</u>	

**Analysis of direct costs**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	23,046	<b>23,046</b>	14,499
Staff costs	5,779,645	<b>5,779,645</b>	5,557,908
Depreciation	537,306	<b>537,306</b>	538,062
Educational supplies	166,435	<b>166,435</b>	167,243
Examination fees	99,384	<b>99,384</b>	90,379
Staff development	14,224	<b>14,224</b>	21,384
Technology costs	83,590	<b>83,590</b>	61,108
Other direct costs	84,116	<b>84,116</b>	81,433
<b>Total 2021</b>	<u>6,787,746</u>	<u><b>6,787,746</b></u>	<u>6,532,016</u>
Total 2020	<u>6,532,016</u>	<u>6,532,016</u>	



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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	36,954	<b>36,954</b>	35,501
Staff costs	1,142,328	<b>1,142,328</b>	1,003,754
Technology costs	95,088	<b>95,088</b>	64,406
Other support costs	126,131	<b>126,131</b>	85,101
Recruitment and support	14,186	<b>14,186</b>	28,538
Maintenance of premises and equipment	227,691	<b>227,691</b>	136,344
Cleaning	144,269	<b>144,269</b>	133,689
Rent and rates	54,256	<b>54,256</b>	58,047
Energy costs	104,979	<b>104,979</b>	79,748
Insurance	42,174	<b>42,174</b>	36,249
Security and transport	15,901	<b>15,901</b>	17,851
Catering	73,083	<b>73,083</b>	62,254
Governance costs	20,245	<b>20,245</b>	28,213
Trip expenditure	13,081	<b>13,081</b>	182,379
<b>Total 2021</b>	<u>2,110,366</u>	<u><b>2,110,366</b></u>	<u>1,952,074</u>
Total 2020	<u>1,952,074</u>	<u>1,952,074</u>	

**9. Net expenditure**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<b>2020 £</b>
Operating lease rentals	<b>17,055</b>	14,868
Depreciation of tangible fixed assets	<b>557,694</b>	567,667
Fees paid to auditor for:		
- audit of the academy	<b>7,650</b>	7,420
- other services provided to the academy	<b>3,850</b>	3,700
- audit of trading subsidiary	<b>4,120</b>	4,000
	<u><b>7,650</b></u>	<u>15,120</u>

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**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>Group 2021 £</b>	Group 2020 £	<b>Academy 2021 £</b>	Academy 2020 £
Wages and salaries	<b>5,815,297</b>	5,484,514	<b>5,035,191</b>	4,734,305
Social security costs	<b>552,184</b>	524,520	<b>509,055</b>	471,603
Pension costs	<b>1,391,917</b>	1,305,719	<b>1,366,395</b>	1,259,730
	<b>7,759,398</b>	7,314,753	<b>6,910,641</b>	6,465,638
Agency staff costs	<b>11,332</b>	90,945	<b>11,332</b>	90,945
Staff restructuring costs	-	5,079	-	5,079
	<b>7,770,730</b>	7,410,777	<b>6,921,973</b>	6,561,662

Staff restructuring costs comprise:

Redundancy payments	-	5,079	-	5,079
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**b. Staff numbers**

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

	<b>Group 2021 No.</b>	Group 2020 No.	<b>Academy 2021 No.</b>	Academy 2020 No.
Teaching staff	<b>94</b>	92	<b>94</b>	92
Administration and support staff	<b>137</b>	134	<b>73</b>	77
Management staff	<b>8</b>	8	<b>8</b>	8
	<b>239</b>	234	<b>175</b>	177

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**10. Staff (continued)**

**c. Higher paid staff**

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

	<b>Group 2021 No.</b>	Group 2020 No.
In the band £60,001 - £70,000	<b>3</b>	3
In the band £70,001 - £80,000	<b>1</b>	2
In the band £80,001 - £90,000	<b>2</b>	1
In the band £90,001 - £100,000	<b>1</b>	-
In the band £150,000 - £160,000	-	1
In the band £160,000 - £170,000	<b>1</b>	-

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021, Employers' pension contributions for these staff amounted to £123,834 (2020: £103,406).

**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 £949,551 (2020 £833,341).

**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:

		<b>2021 £</b>	2020 £
Heather McIlroy	Remuneration	<b>160,000 -</b>	155,000 -
		<b>165,000</b>	160,000
Christopher Goodrich (resigned 6 October 2020)	Remuneration	<b>50,000 -</b>	50,000 -
		<b>55,000</b>	55,000
	Pension contributions paid	<b>10,000 -</b>	5,000 -
Gavin Rumsey (resigned 6 October 2020)		<b>15,000</b>	10,000
	Remuneration	<b>50,000 -</b>	45,000 -
	Pension contributions paid	<b>55,000</b>	50,000
Charlie Fisher (resigned 6 October 2020)		<b>10,000 -</b>	10,000 -
	Remuneration	<b>60,000 -</b>	60,000 -
	Pension contributions paid	<b>65,000</b>	65,000
		<b>15,000 -</b>	10,000 -
		<b>20,000</b>	15,000

During the year ended 31 August 2021, no expenses were reimbursed or paid directly to any Trustee (2020 - £NIL).

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**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 cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £Nil (2020 - £Nil). The cost of this insurance is included in the total insurance cost.

**13. Tangible fixed assets**

**Group**

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	31,278,044	664,597	111,503	32,054,144
Additions	435,289	125,242	-	560,531
At 31 August 2021	<u>31,713,333</u>	<u>789,839</u>	<u>111,503</u>	<u>32,614,675</u>
<b>Depreciation</b>				
At 1 September 2020	3,726,932	613,412	91,806	4,432,150
Charge for the year	519,985	20,103	17,606	557,694
At 31 August 2021	<u>4,246,917</u>	<u>633,515</u>	<u>109,412</u>	<u>4,989,844</u>
<b>Net book value</b>				
At 31 August 2021	<u><u>27,466,416</u></u>	<u><u>156,324</u></u>	<u><u>2,091</u></u>	<u><u>27,624,831</u></u>
At 31 August 2020	<u><u>27,551,112</u></u>	<u><u>51,185</u></u>	<u><u>19,697</u></u>	<u><u>27,621,994</u></u>

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**13. Tangible fixed assets (continued)**

**Academy**

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	31,278,044	550,866	35,535	31,864,445
Additions	435,289	125,242	-	560,531
At 31 August 2021	<u>31,713,333</u>	<u>676,108</u>	<u>35,535</u>	<u>32,424,976</u>
<b>Depreciation</b>				
At 1 September 2020	3,726,932	507,120	29,859	4,263,911
Charge for the year	519,985	13,736	3,585	537,306
At 31 August 2021	<u>4,246,917</u>	<u>520,856</u>	<u>33,444</u>	<u>4,801,217</u>
<b>Net book value</b>				
At 31 August 2021	<u><u>27,466,416</u></u>	<u><u>155,252</u></u>	<u><u>2,091</u></u>	<u><u>27,623,759</u></u>
At 31 August 2020	<u><u>27,551,112</u></u>	<u><u>43,746</u></u>	<u><u>5,676</u></u>	<u><u>27,600,534</u></u>

**14. Fixed asset investments**

	Shares in group undertaking s £
<b>Academy</b>	
<b>Cost or valuation</b>	
At 1 September 2020	1
At 31 August 2021	<u>1</u>
<b>Net book value</b>	
At 31 August 2021	1
At 31 August 2020	<u>1</u>

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**14. Fixed asset investments (continued)**

**Principal subsidiaries**

The following was a subsidiary undertaking of the academy:

<b>Name</b>	<b>Company number</b>	<b>Holding</b>	<b>Included in consolidation</b>
Mountbatten School Services Limited	07889300	100%	Yes

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit for the year £</b>	<b>Net assets £</b>
Mountbatten School Services Limited	1,866,515	(1,483,443)	383,072	273

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**15. Stocks**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Stock	<b>3,479</b>	3,479

**16. Debtors**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Academy 2021 £</b>	<b>Academy 2020 £</b>
<b>Due within one year</b>				
Trade debtors	<b>11,189</b>	6,656	<b>471</b>	231
Amounts owed by group undertakings	-	-	<b>532,694</b>	289,442
Other debtors	<b>31,415</b>	67,404	<b>8,140</b>	64,497
Prepayments and accrued income	<b>425,777</b>	243,048	<b>381,506</b>	231,319
VAT recoverable	<b>101,976</b>	52,662	<b>101,976</b>	51,709
	<b>570,357</b>	369,770	<b>1,024,787</b>	637,198

**17. Current asset investments**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Academy 2021 £</b>	<b>Academy 2020 £</b>
Term deposits	<b>767,163</b>	766,068	<b>767,163</b>	766,068

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**18. Creditors: Amounts falling due within one year**

	<b>Group 2021 £</b>	Group 2020 £	<b>Academy 2021 £</b>	Academy 2020 £
Salix loan	<b>2,644</b>	2,644	<b>2,644</b>	2,644
Trade creditors	<b>109,661</b>	97,673	<b>78,336</b>	86,920
Corporation tax	<b>3,773</b>	-	-	-
Other taxation and social security	<b>141,932</b>	121,804	<b>129,304</b>	112,698
Other creditors	<b>45,885</b>	69,665	<b>37,264</b>	53,387
Accruals and deferred income	<b>624,319</b>	763,373	<b>413,766</b>	359,383
	<b>928,214</b>	1,055,159	<b>661,314</b>	615,032
	<b>Group 2021 £</b>	Group 2020 £	<b>Academy 2021 £</b>	Academy 2020 £
Deferred income at 1 September 2020	<b>597,678</b>	418,124	<b>256,889</b>	238,167
Resources deferred during the year	<b>316,176</b>	597,678	<b>279,063</b>	256,889
Amounts released from previous periods	<b>(418,124)</b>	(418,124)	<b>(256,889)</b>	(238,167)
<b>Deferred income at 31 August 2021</b>	<b>495,730</b>	597,678	<b>279,063</b>	256,889

Deferred income includes amounts paid in advance for trips, music tuition, rates relief, clubs for the term commencing September 2021.

**19. Creditors: Amounts falling due after more than one year**

	<b>Group 2021 £</b>	Group 2020 £	<b>Academy 2021 £</b>	Academy 2020 £
Salix loan	<b>13,804</b>	16,448	<b>13,804</b>	16,448

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	<b>Group 2021 £</b>	Group 2020 £	<b>Academy 2021 £</b>	Academy 2020 £
Payable or repayable by instalments	<b>3,228</b>	5,827	<b>3,228</b>	5,827

The Academy currently has two ESFA issued the school a non-interest bearing Salix loan with repayments due in instalments over a 7 and 8 year term respectively.



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**20. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>							
General funds	1,096,682	2,054,623	(1,365,024)	(3,773)	(961,829)	-	820,679
<b>Restricted general funds</b>							
General Annual Grant (GAG)	-	7,120,000	(6,995,679)	-	-	-	124,321
Pupil premium	-	188,736	(188,736)	-	-	-	-
Local Authority Grants	14,068	96,172	(110,240)	-	-	-	-
Other DfE/ESFA grants	-	453,327	(453,327)	-	-	-	-
Covid catch up	-	174,233	(174,233)	-	-	-	-
Grants from external bodies	-	53,510	(53,510)	-	-	-	-
Pension reserve	(3,593,000)	-	(372,000)	-	-	121,000	(3,844,000)
	<b>(3,578,932)</b>	<b>8,085,978</b>	<b>(8,347,725)</b>	<b>-</b>	<b>-</b>	<b>121,000</b>	<b>(3,719,679)</b>
<b>Restricted fixed asset funds</b>							
Restricted fixed asset fund	27,600,534	340,493	(537,306)	-	220,038	-	27,623,759
Sinking fund	150,000	-	-	-	25,000	-	175,000
Designated projects	-	-	-	-	716,791	-	716,791
	<b>27,750,534</b>	<b>340,493</b>	<b>(537,306)</b>	<b>-</b>	<b>961,829</b>	<b>-</b>	<b>28,515,550</b>

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**20. Statement of funds (continued)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance 31 August 2021 £
<b>Total Restricted funds</b>	24,171,602	8,426,471	(8,885,031)	-	961,829	121,000	24,795,871
<b>Total funds</b>	25,268,284	10,481,094	(10,250,055)	(3,773)	-	121,000	25,616,550

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

**Unrestricted funds**

These funds are for the general use of the academy and may be used towards meeting any of the charitable objectives of the academy trust, at the discretion of the trustees.

**Restricted funds**

These funds include monies received from DfE/ESFA and other local authority grants which fund the academies' day to day running costs. Included within these funds are LGPS contributions and movements on the fund relating to the academy trust.

**Restricted fixed asset funds**

Included in these funds are assets transferred to the academy on conversion together with capital grants received and monies transferred from restricted funds to finance asset purchases. The amount £28,391,229 is represented by the net book value of fixed assets in the balance sheet, the sinking fund of £175,000 is to provide for future costs of maintaining the football pitch and £592,470 designated for future capital projects.

**Funds Transfers**

During the year funds were transferred from unrestricted funds to restricted fixed asset funds to fund to increase the balance of the sinking fund & for future capital projects.

There was a further transfers from restricted fixed assets to restricted funds which relates to the devolved formula capital income which was spent on repairs and maintenance.

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 2021.

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**20. Statement of funds (continued)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General funds	945,383	1,922,167	(1,626,012)	(144,856)	-	1,096,682
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	6,729,824	(6,814,861)	85,037	-	-
Pupil premium	-	628,824	(628,824)	-	-	-
Local Authority Grants	-	30,217	(16,149)	-	-	14,068
Other DfE/ESFA grants	-	26,050	(26,050)	-	-	-
Pension reserve	(2,727,000)	-	(277,000)	-	(589,000)	(3,593,000)
	<u>(2,727,000)</u>	<u>7,414,915</u>	<u>(7,762,884)</u>	<u>85,037</u>	<u>(589,000)</u>	<u>(3,578,932)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	28,087,027	16,750	(538,062)	34,819	-	27,600,534
Sinking fund	125,000	-	-	25,000	-	150,000
	<u>28,212,027</u>	<u>16,750</u>	<u>(538,062)</u>	<u>59,819</u>	<u>-</u>	<u>27,750,534</u>
<b>Total Restricted funds</b>	<u>25,485,027</u>	<u>7,431,665</u>	<u>(8,300,946)</u>	<u>144,856</u>	<u>(589,000)</u>	<u>24,171,602</u>
<b>Total funds</b>	<u><u>26,430,410</u></u>	<u><u>9,353,832</u></u>	<u><u>(9,926,958)</u></u>	<u><u>-</u></u>	<u><u>(589,000)</u></u>	<u><u>25,268,284</u></u>

Fund balances for each academy at 31 August 2021 and 31 August 2020 were zero, hence a breakdown by academy is not included in these accounts.

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**20. Statement of funds (continued)**

Expenditure incurred by each academy during the year was as follows:

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,072	-	27,623,759	<b>27,624,831</b>
Current assets	1,054,545	831,401	891,791	<b>2,777,737</b>
Creditors due within one year	(234,938)	(693,276)	-	<b>(928,214)</b>
Creditors due in more than one year	-	(13,804)	-	<b>(13,804)</b>
Pension scheme liability	-	(3,844,000)	-	<b>(3,844,000)</b>
<b>Total</b>	<b>820,679</b>	<b>(3,719,679)</b>	<b>28,515,550</b>	<b>25,616,550</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	21,460	-	27,600,534	27,621,994
Current assets	1,683,598	477,299	150,000	2,310,897
Creditors due within one year	(608,376)	(446,783)	-	(1,055,159)
Creditors due in more than one year	-	(16,448)	-	(16,448)
Pension scheme liability	-	(3,593,000)	-	(3,593,000)
<b>Total</b>	<b>1,096,682</b>	<b>(3,578,932)</b>	<b>27,750,534</b>	<b>25,268,284</b>

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

	<b>2021</b>	<b>2020</b>
	£	£
Net income/(expenditure) for the year (as per Statement of financial activities)	<b>227,266</b>	(573,126)
<b>Adjustments for:</b>		
Depreciation	<b>557,694</b>	567,667
(Increase)/decrease in current asset investment	<b>(1,095)</b>	(244,847)
Interest receivable	<b>(1,516)</b>	(3,739)
Decrease in stocks	-	10,939
(Increase)/decrease in debtors	<b>(382,171)</b>	553,077
Increase/(decrease) in creditors	<b>48,222</b>	(78,661)
Defined benefit pension scheme finance cost	<b>372,000</b>	277,000
Disposal of tangible fixed assets	-	4,704
Corporation tax charge	<b>3,773</b>	-
<b>Net cash provided by operating activities</b>	<b>824,173</b>	513,014

**23. Cash flows from investing activities**

	<b>Group 2021</b>	<b>Group 2020</b>
	£	£
Interest receivable	<b>1,516</b>	3,739
Purchase of tangible fixed assets	<b>(560,531)</b>	(56,274)
<b>Net cash used in investing activities</b>	<b>(559,015)</b>	(52,535)

**24. Analysis of cash and cash equivalents**

	<b>Group 2021</b>	<b>Group 2020</b>
	£	£
Cash at bank and in hand	<b>1,436,738</b>	1,171,580

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**25. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,171,580	265,158	1,436,738
Salix loan due within 1 year	(2,644)	-	(2,644)
Salix loan due after 1 year	(16,448)	2,644	(13,804)
Term deposits	766,068	1,095	767,163
	<u>1,918,556</u>	<u>268,897</u>	<u>2,187,453</u>

**26. 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 Hampshire County Council. Both are multi-employer defined benefit schemes.

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

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.

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**26. 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 £847,731 (2020 - £791,772).

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 Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group 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 2021 was £261,000 (2020 - £294,000), of which employer's contributions totalled £197,000 (2020 - £231,000) and employees' contributions totalled £ 64,000 (2020 - £63,000). The agreed contribution rates for future years are 18.8 per cent for employers and 5.5-12.5 per cent for employees.

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

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

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**26. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2021</b>	2020
	%	%
Rate of increase in salaries	<b>3.7</b>	3.3
Rate of increase for pensions in payment/inflation	<b>3.7</b>	3.3
Discount rate for scheme liabilities	<b>1.7</b>	1.7
Inflation assumption (CPI)	<b>2.7</b>	2.3
Pension increases	<b>2.7</b>	2.3
Pension accounts revaluation rate	<b>2.7</b>	2.3

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

	<b>2021</b>	2020
	Years	Years
Retiring today		
Males	<b>23.1</b>	23.0
Females	<b>25.5</b>	25.5
Retiring in 20 years		
Males	<b>24.8</b>	24.7
Females	<b>27.3</b>	27.2

**Share of scheme assets**

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

	<b>2021</b>	2020
	£	£
Equities	<b>3,530,000</b>	2,878,000
Gilts	<b>1,113,000</b>	985,000
Property	<b>375,000</b>	305,000
Cash and other liquid assets	<b>43,000</b>	81,000
Other	<b>1,088,000</b>	827,000
<b>Total market value of assets</b>	<b>6,149,000</b>	5,076,000

The actual return on scheme assets was £950,000 (2020 - £418,000).



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**26. Pension commitments (continued)**

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

	2021 £	2020 £
Current service cost	(509,000)	(455,000)
Past service cost	-	(3,000)
Interest cost	(147,000)	(136,000)
Interest income	87,000	86,000
Employer contributions	197,000	231,000
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>(372,000)</b>	<b>(277,000)</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>8,669,000</b>	<b>7,167,000</b>
Current service cost	509,000	455,000
Interest cost	147,000	136,000
Employee contributions	64,000	63,000
Actuarial losses	742,000	921,000
Benefits paid	(138,000)	(76,000)
Past service costs	-	3,000
<b>At 31 August</b>	<b>9,993,000</b>	<b>8,669,000</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>5,076,000</b>	<b>4,440,000</b>
Interest income	87,000	86,000
Actuarial gains	863,000	332,000
Employer contributions	197,000	231,000
Employee contributions	64,000	63,000
Benefits paid	(138,000)	(76,000)
<b>At 31 August</b>	<b>6,149,000</b>	<b>5,076,000</b>

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**27. Operating lease commitments**

At 31 August 2021 the Group and the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2021 £</b>	Group 2020 £	<b>Academy 2021 £</b>	Academy 2020 £
Not later than 1 year	<b>46,405</b>	15,193	<b>46,405</b>	15,193
Later than 1 year and not later than 5 years	<b>26,468</b>	8,183	<b>26,468</b>	8,183
Later than 5 years	<b>3,761</b>	843	<b>3,761</b>	843
	<b>76,634</b>	24,219	<b>76,634</b>	24,219

**28. 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.

**29. 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.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.