Registration number: 07814065

Selwood Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

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SELWOOD ACADEMY

CONTENTS

Members	C Cardnell C Bailey-Green (resigned 17 December 2020) H Atkins (resigned 1 February 2020) K Kirkwood (resigned 17 December 2020) R Phillips (appointed 12 November 2019) Rev G Owen (resigned 16 July 2020) E Denne J Gamble
Trustees (Directors)	Rev G Owen (resigned 16 July 2020) E Denne J Gamble R Phillips C Cardnell, Chair C Bailey-Green (resigned 17 December 2020) K Kirkwood (resigned 17 December 2020) J Hopegood, Head Teacher M Bailey H Atkins (resigned 1 February 2020) L Puttock K Preston D Hooton (appointed 11 February 2020) Rev G Slingo (appointed 30 January 2020)
Senior Management Team	J Hopegood, Head Teacher A Broad, Deputy Head Teacher A Ellett, Assistant Head Teacher L Steward, Assistant Head Teacher M Singer, Business Manager
Principal and Registered Office	Berkley Road Frome Somerset BA11 2EF
Company Registration Number	07814065
Auditors	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Selwood Academy are also the directors of the charitable company for the purposes of company law.

Selwood Academy has two levels of Governance consisting of members on one level and directors on another. This is referred to as a "two tier structure". The directors are also Trustees: accordingly, these names are interchangeable.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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.

Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000,000.

Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following 8 Members as set out in its Articles of Association and Funding Agreement:

• the Chair of Trustees
• up to 1 Anglican Foundation Trustee
• up to 1 Methodist Foundation Trustee
• up to 5 other appointed Members

The Foundation Trustee representation on the Academy Trust shall not exceed 2 Members. Non-designated Members will be appointed by the remaining Members as vacancies occur.

The Trust Board shall have the following 16 Trustees as set out in its Articles of Association and Funding Agreement:

• up to 1 Anglican Minister Trustee (Ex-Officio) who is appointed by the Diocese of Bath & Wells
• up to 1 Anglican Foundation Trustee who is appointed by the Diocese of Bath & Wells.
• up to 1 Methodist Trustee Foundation who is appointed by the Methodist Circuit.
• up to 5 Parent Trustees who are elected by parents and/or carers of registered pupils at the Academy.
• up to 2 staff Trustees elected by members of staff at the Academy.
• up to 4 Community Trustees who are appointed by the Members.
• the Headteacher who is treated for all purposes as being an ex officio Trustee.

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

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.
Policies and Procedures Adopted for the Induction and Training of Trustees
The Academy Trust has a Trustee Recruitment and Induction process. The Clerk to Trustees organised and booked training of the Trust Board. The Skills and Knowledge Review was an ongoing exercise throughout the year. This enabled the Trust Board to identify any skill shortages to aid recruitment of new Trustees. The Clerk to Trustees regularly attended Clerks' Briefings where appropriate provided by Somerset County Council and the Clerks' Forum held by the Diocese of Bath and Wells. The Chair of Trustees, or his representative, attended Area Chair's meetings, provided by Somerset County Council and also attended Heads and Chairs Briefings provided by the Diocese of Bath and Wells.

The training and induction provided for new Trustees will depend upon their existing experience but would always include meeting with the Chair, Clerk to Trustees and Headteacher followed by a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided electronically with copies of policies, procedures, minutes and the necessary information for the accounts, budgets, plans and other documents that they will need to undertake their role as Trustees and Members. As there are normally only 2 or 3 new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational structure

The Board of Members meets once a year for an Annual General Meeting.

The Board of Trustees (Trustees) normally meets a minimum of once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. Last year the discussions regarding the forming of the Frome Trust culminated in a decision by the Regional Schools Commissioner that the proposed structure was not acceptable. Discussions continue with other Academies and Schools within the Frome Learning Partnership regarding joining an established Multi Academy Trust.

There are 2 committees as follows:

• Resources Committee (including Finance, Personnel & Premises) - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. It also monitors, evaluates and reviews Academy Trust's policy on staffing, appraisal and personnel issues. A further sub-committee now meets monthly to review and monitor the monthly accounts.

• Teaching & Learning Committee - this meets at least three times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, data analysis, target setting and assessment, examinations and all pastoral issues.

Safeguarding and SEND aspects are reviewed at every meeting by the Teaching & Learning Committee and are included in the Head's Report for Trust Board meetings alongside an annual full review completion.

Panels
Admissions Panel - this meets as required to deal with all matters relating to admissions. Other specialist panels meet as required.

The following decisions are reserved to the Board of Members: to consider any proposals for changes to the status or constitution of the Academy Trust.

The following decisions are delegated to the Board of Trustees; to consider its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for approving statutory policy, adopting an annual development plan and budget, approving the statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Members and Board of Trustees have devolved responsibility for day to day management of the Academy Trust to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, two Assistant Headteachers and the Business Manager. The SLT is responsible for setting non-statutory policies and implementing the policies laid down by the Trustees and report back to them on performance.

The Academy Trust has a leadership structure which consists of the Trustees, The Senior Leadership Team, Faculty/Pastoral Heads and Middle Managers within the support staff team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. In addition 2 associate leader roles are offered on a biennial basis to provide ongoing CPD to aspiring leaders.

The SLT controls the Academy at an executive level, implementing all policies and reporting back to Trustees. The Headteacher, Business Manager and Resources Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee.

The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trust Board will appoint the members of the Pay Committee who will recommend to the Trust Board the annual budget for pay. When a new appointment is made to the Senior Leadership Team the Trust Board will determine the pay rage to be advertised and agree pay on appointment within the parameters defined in the Pay Policy.

Connected organisations, including related party relationships

The Academy has strong collaborative links with the 17 local schools which form the Frome Learning Partnership (FLP).

There are no related parties which either control or significantly influence the decisions and operations of Selwood Academy. There are no sponsors. 2 Members are members of Frome Lions Club.

Selwood Parent Teacher Association (PTA) is a formal PTA, which is associated with Selwood Academy.

Objectives and activities

Objects and aims

The principal object and activity of the Academy Trust is to advance, for the public benefit, education in Frome and the surrounding area, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Selwood Academy to provide free education and care for pupils of different abilities between the ages of 9 and 13.

The aims of the Academy Trust during the year ended 31 August 2020 are summarised below:

• to continue to raise the standard of educational attainment and achievement of all pupils;
• to provide a broad, balanced and personalised curriculum, including extra-curricular activities;
• to develop pupils as more effective learners using metacognition as a foci;
• to develop the Academy Trust site so that it enables pupils to achieve their full potential;
• to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
• to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
• to provide value for money for the funds expended;
• to work with the FLP schools to further develop continuity and progression across the curriculum, particularly in literacy and numeracy standards;
• to develop greater coherence, clarity and effectiveness in school systems;
• to comply with all appropriate statutory and curriculum requirements;
• to maintain close links with the community including the two foundation churches;
• to fully embed the Vision & Values;
• to develop the Academy Trust's capacity to manage change;
• to conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.
• to improve the reporting of safeguarding concerns by adopting an electronic reporting system 'My concern '

At Selwood Academy we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy Trust is a community in which children, staff, Trustees and parents should be part of a happy and caring environment.

Objectives, strategies and activities

Key priorities for the year are contained in our Academy Development Plan which is available from the Academy Office. Improvement foci identified for this year included:

• Pupils acquire knowledge and develop skills, achieving well over four years
• Feedback supports metacognition and results in improved progress and attainment.
• Improve outcomes and progress of our SEND and Disadvantaged pupils. (Please refer to SEND Development Plan).
• Raising standards in reading (Develop a rigorous and sequential whole school approach to the reading curriculum in order to improve pupils' fluency, confidence and enjoyment of reading).
• Continue to develop motivation, self-regulation and positive attitudes to learning for all children.
• Support SEMH and wellbeing of the whole school community
• Continue to explore the potential of becoming part of a MAT.
• Ensure coherence and consistency across the school so that pupils benefit from effective teaching and consistent ambitious expectations, wherever they are in the school
• Ensure the effective use of resources to support learning.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Academy Trust provides facilities for recreational and other leisure time occupation for the community at large including the use of 3G Pitch in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and performance

The Academy is in it's eighth year of operation. The total number of students in the year ended 31 August 2019 was 630, this has increased to 693 in September 2020.

Key performance indicators

It is important to note that under the Ofsted framework Middle schools are now judged in terms of progress and attainment on four years of data. The Academy undertakes external GL tests to show performance over time.
However , It is important to note that as a result of the pandemic the school was closed in March 2020 and no standardised tests nationally or internally were conducted after this time

The tables below demonstrate that in the previous years, pupils Standard Age Score is better than the national average in English and Maths. The trend based on internal data suggests that had test gone ahead this would have been further improved for the following cohort. Baseline testing will be undertaken as soon as the pupils return to school.

Maths 2019:

Description	Very low	Below average			Average		Above average		Very high
SAS bands	<74	74-81	82-88	89-96	97-103	104-111	112-118	119-126	>126
National average	4%	7%	12%	17%	20%	17%	12%	7%	4%
All students	3%	12%	9%	11%	17%	18%	13%	8%	9%

English 2019:

Description	Very low	Below average			Average		Above average		Very high
SAS bands	<74	74-81	82-88	89-96	97-103	104-111	112-118	119-126	>126
National average	4%	7%	12%	17%	20%	17%	12%	7%	4%
All students	5%	3%	10%	17%	15%	16%	14%	12%	9%

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations and work scrutiny which are undertaken by the Faculty Heads, Trustees and the SLT. The Pixl programme has also ensured a careful, regular monitoring of progress.

The Academy was inspected by SIAMS in May 2019 and was judged excellent in all aspects of provision. The report states: "The strength of commitment to the vision shapes the strategic and operational direction of the school. Its impact is immediately evident to visitors in pupils' exemplary behaviour and the quality of relationships."

The Academy was inspected by OFSTED in May 2017 and was judged to be Good in all areas. To become an outstanding School requires everyone to have access to the most up-to-date training to maximise potential and performance. The Academy Trust is committed to investing in the professional development of all staff. Together with teachers striving to become outstanding practitioners, the majority of Teaching Assistants and Support Staff have gained vocational qualifications up to level 3 and HTLA's have led staff development CPD opportunities in their specialist areas. The Trustees also supported the Deputy Head to complete the NPQH qualification, school training for PGCE students and work experience placements. The addition of internal teach meets to focus developing metacognitive practice impacted greatly on embedding this foci across the whole school.

STRATEGIC REPORT

The Academy works closely with the other eight Middle Schools in Somerset and the Frome Learning Partnership to ensure that rigorous monitoring of standards in teaching and learning are maintained. Reports are completed and shared with Trustees. Mrs Pam Blackmore visits the Academy termly to report to the Methodist circuit and Mr Peter Elmy is employed to complete the Head Teachers Performance Management and SEP role.

During the year, the Academy's charity fundraising activities (including Selwood PTA) included, a Harvest Festival with all the food donated being sent to the Fair Frome Food Bank, BBC children in need, the Lions Charity Swim and throughout the Pandemic Vulnerable families were supported financially by the Fair Frome charities, and the Frome Lions with donated food vouchers and wellbeing parcels were delivered.

It has been a very challenging year for all schools as a result of the pandemic. Whilst Selwood was closed to some pupils in March 2020 it remained open throughout the Easter and half term holidays and bank holidays for key worker children and those considered vulnerable. To enable this a significant risk assessment process was swiftly undertaken and shared with unions. Social distancing measures and additional hygiene facilities were put in place and whilst several staff were placed at home under the government shielding advice, the education of all pupils was supported through the school website initially and later by virtual lessons in a small number of subjects. The Academy opened its doors wider in June to Year 6 and to year 8 for transition support. . Safeguarding was maintained fully through weekly telephone calls, support with outside agencies and charities. No pupils or staff contracted the virus throughout this period.

From Sept 2019 - March 2020 the Academy continued to provide enrichment opportunities.

• Anti-bullying Ambassadors continued to promote a zero tolerance for bullying at Selwood Academy,
• The Academy continued to host authors and pupils in both Key stages attended the Bath literature festival
• Pupils competed in Regional Rotary Public Speaking competition.
• School trips continued to support the children's learning and development. Year 5 with the Mendip Adventure trip where the pupils learn outdoor skills and take time to develop new friendships to aid the transition to Selwood.
• Extra Curriculum Arts events continue to be a particular strength of the school. Selwood Artist created lanterns as part of the Frome Christmas Extravaganza, The gifted and talented drama pupils took part in the annual Shakespeare festival. Sadly the annual musical had to be cancelled just short of the performance dates due to the pandemic.

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the year under review, £77,236 of restricted funds was carried forward representing 2.9% of GAG.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2020 this was 102% compared to 103% in 2019.

STRATEGIC REPORT

Going concern

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

Financial review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2020, total expenditure (excluding depreciation) of £3,270,347 was covered by recurrent grant funding from the DfE and brought forward reserves, together with other incoming resources. Across both the general restricted funds and unrestricted funds (excluding the pension reserve), the academy showed an in year surplus of £152,820.

At 31 August 2020 the net book value of fixed assets was £6,156,647 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance, CCTV, Administration of Medicines, Critical Incidents, Freedom of Information, GDPR, Anti Fraud and Corruption, Business Continuity, New Trustees Induction, Volunteers and Students, Whistleblowing, Complaints, Health and Safety, Investment Management, Off- site Activities.

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Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £135,000. This is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition, the Trustees have also identified the need to hold £50,000 in relation to the sinking fund associated with the 3G pitch.

Total reserves of the academy amounted to £3,554,510, of this £6,161,643 is invested in fixed assets. At the year end the academy held unrestricted funds of £17,200. In addition the academy held restricted funds of £169,667 which is considered freely spendable within the academy's objectives. Therefore in total the academy was hold reserves of £186,867 which is inline with the intended level of reserves to be held by the academy. The Members and Trustees continue to monitor the reserves in accordance with the Board's reserves policy.

The Trustees previously approved the use of the reserves to support the construction of a state of the art 3G Pitch. The use of these reserves created the potential for in year deficit moving forward in to Year 2019-2020. With sound financial planning, changes in procedures and continued improvement of monitoring the accounts the in-year deficit and potential need for an advance from the ESFA did not occur. The Academy created a three-year recovery plan, which determines that the Academy will be able to set a balanced Budget for the next three years.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment policy

All funds surplus to immediate requirements are invested to optimal effect. On a daily basis this is achieved by automatic transfer of surplus funds to overnight deposit. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates as and when required. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Business manager within strict guidelines approved by the Board of Trustees.

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Principal risks and uncertainties

The Business Manager is responsible for reviewing the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Business Manager ensures these are recorded in a Risk Register and The Board of Trustees review and monitor the risk register annually and at other points deemed necessary.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 94% of the Academy Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Trustees, ensure that success and achievement are closely monitored and reviewed. The Ofsted & SIAMS Inspections have secured the ongoing strong reputation within the community.

Safeguarding (including e-safety) and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of safeguarding, e- safety and of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy Trust is reliant on the quality of its staff and so the Trustees and Senior Leaders monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning with particular focus on key staffing areas identified in the risk register.

Fraud and mismanagement of funds - the Academy Trust has appointed a Responsible Officer to carry out internal checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed, and updated on a regular basis.

The Academy Trust is aware that as a Middle School there are risks associated with the possibility of changing from a three-tier system to a two-tier system within the local area.

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The Trustees have implemented a system to assess risks that the Academy Trust faces especially in the operational areas (e.g. In relation to safeguarding (including e-safety), teaching, health & safety and trips) and in relation to the control of finance. They have introduced systems including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) 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 Trust holds risk assessments, which are regularly reviewed and updated as necessary. It has been necessary this year for Selwood, like all schools and businesses, to introduce Covid related risk assessments and to update regularly in line with ever-changing government guidance, to ensure a Covid-Secure workplace and learning environment for its community.

The Trustees examine the financial health formally every month. The Resources Committee reviews performance against budgets and overall expenditure by means of regular update. The Monthly Accounts Monitoring Committee reviews cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments. The Resources Committee Chair reports to the Full Trust Board any areas of concern.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the near future, this risk from this liability is minimised.

Plans for future periods

The Academy Trust will continue to strive to provide outstanding education and improve the standards of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy Trust will continue to work within the FLP, to improve the educational opportunities for students in the wider community and to explore potential opportunities for joining a Multi Academy Trust (MAT). MAT discussions have ceased since the start of the pandemic and are unlikely to resume for the next 6 months. This supports the arrival of a new head at Selwood also, whom will be integral to these discussions. Due to the delay in furthering MAT discussions the Academy will be updating their Articles of Association and Funding Agreement with a view to have completed by December 2020.

Full details of our plans for the future are given in our School Development Plan and Business Plan, which is available on our website or from the Clerk to Trustees.

Funds held as Custodian Trustee on behalf of others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Trade union facility time

There are 3 members of staff who were relevant union officials during the period who spent between 1%-50% of their time on trade union duties. One of these members of staff is now appointed as a Convenor and all costs associated with this is claimed through the Union Facilities fund that we pay in to through the LA. The total cost of facility time was £344 which amounts to 0.017% of the Trust's total pay bill.

STRATEGIC REPORT

Auditor

Insofar as the Trustees are aware:

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

Auditors

The Trustees proposed a change in Accountants/Auditors for the 19-20 financial year following a review of the current services, time spent at Selwood and related costs. Following careful consideration the auditors, Albert Goodman, are willing to start in office and a resolution to appoint them for 19-20 was proposed at the Monthly Accounts Monitoring Sub-Committee Meeting and subsequently approved at the Full Trust Board meeting.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 10/12/20 and signed on its behalf by:

C Cardnell

C Cardnell

Trustee

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to J Hopegood, Head Teacher, 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 Selwood Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 0 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Bailey-Green	2	2
R Phillips	3	4
H Atkins	1	2
C Cardnell	4	4
J Hopegood	4	4
K Kirkwood	4	4
M Bailey	4	4
Rev G Owen	2	4
J Gamble	2	4
E Denne	2	4
L Puttock	4	4
K Preston	2	4

In the past year, we have seen a few Trustees depart and other join us. Rev Graham Owens retired as the ex-officio Anglican Foundation member for the parish of Christchurch and St Mary's and is being replaced by Rev Liz Dudley. Mr D Hooton joined us as the second Anglican Foundation Member. The Rev Graham Slingo was appointed in June 2020 as the second Methodist Foundation Trustee. Helen Atkins resigned as Trustee and Vice-chair in the autumn term 2019. We currently have three vacancies for Parent Trustees and are holding an election as soon as the new term has been established. We have also maintained our staff Trustees over the year.

Chris Bailey-Green resigned from the position of Chair of Trustees in May 2020 due to ill health but remains a Community Trustee. Clare Cardnell was elected to be the new Chair, having previous experience in this role for ten years.

Following the announcement in January of the intention of the current Head Teacher, Jean Hopegood to retire at the end of August 2020, Trustees commenced the process of recruiting a new Head Teacher. We were able to advertise and shortlist by the end of March 2020. However the recruitment was then delayed by the national lockdown due to the Covid-19 pandemic. The process recommenced virtually in the summer term and Trustees were pleased to appoint Mr Daniel Jeffries as the new Head Teacher from 1 January 2021. Trustees are grateful that Jean Hopegood kindly offered to delay her retirement and continue in post for the autumn term.

Following advice from the ESFA in August 2019, Trustees have taken two further actions. A Governance Review was conducted in the autumn term 2019 by Claire Hudson, National Leader of Governance from the Diocese of Bath and Wells. Trustees will be implementing the recommendations over the coming year. Secondly a new sub-committee was added to the structure and feeds in to the Resources Committee to monitor the monthly accounts.

Trustee meetings now take place virtually via MS Teams and continue with the same meeting cycle.

Throughout the year a regular review of trustee's levels of training was undertaken, including assessments by individuals of their levels of knowledge and skills. This is complimented by regular training sessions for trustees prior to the start of Board meetings.

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure effective and efficient management of the Academy finances, taking due regard to transparency and financial probity and to ensure that matters concerning personnel and pay issues within the academy are managed in an effective and efficient manner.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
C Bailey-Green	2	2
R Phillips	3	3
H Atkins	1	1
C Cardnell	2	3
J Hopegood	3	3
L Puttock	3	3
Rev G Owen	2	3
D Hooton	2	2

Review of value for money

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

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

Improving educational results:

• Use of Accelerated Reader/ school reading Dog and supported guided reading with reading mentors and trustees continues to encourage reading for all ages;
• Frome Learning Partnership and middle school partners joint drive to increase standards across all the Schools - key focus on English/ reading strategic plan
• Faculty development plans produced to identify Key strategies for improving standards.
• Using Pixl strategies to further develop attainment in Maths and English
• Developing parental Maths support evenings to engage parents in learning with their

Financial oversight and governance:

• Experienced Chair of Resources Committee;
• Regular financial reporting to Resource Committee and the new monthly monitoring sub-committee, including adjusted annual forecast, ensures transparency;
• Academy continues to engage with the ESFA in order to further develop expertise in the current educational climate

Better purchasing:

• All contracts reviewed 3 months before renewal date to ensure efficiency and effectiveness;
• All services are re-tendered to ensure value for money & cost benefit;
• Explore all purchasing options for all orders of whatever size to ensure efficiency.

Better income generation:

• Income streams regularly explored
• CIF Bid submitted successfully for replacement of flat and pitched roof. Further applications will be made in 2020-2021
• Continue to work to maximise the use of facilities outside School Hours including 3G lettings. All previous organisations have continued to keep in touch with Selwood at this time, but following the lockdown only a few are able to return to full use of the facilities due to Covid. This is regularly reviewed and guidance adhered to. The 3G use is growing again steadily and despite Covid anticipate a healthy return.

Reviewing controls and managing risks:

• Regular Responsible Officer reports to ensure internal control and compliance;
• Review of Risk Register at regular Resource Committee meetings;
• Professional HR advice procured and used where applicable.

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed a Responsible Officer (RO) via Somerset County Council as Responsible Officer.

• The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

On a quarterly basis, the Responsible Officer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The RO function has been fully delivered in line with the ESFA's requirements. There were no material control or other issues reported by the Responsible Officer to date.

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

- the work of the responsible officer ;
- the work of the external auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on ..10/12/20 and signed on its behalf by:

Clare Cardnell
C Cardnell
Trustee

J Hopegood
J Hopegood
Accounting officer
Trustee

SELWOOD ACADEMY

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

J Hopegood
....
J Hopegood, Head Teacher
Accounting officer

Date:....01/12/20....

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

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

Approved by order of the members of the Board on 10/12/20 and signed on its behalf by:

Clare Cardnell

C Cardnell
Trustee

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SELWOOD ACADEMY

Opinion

We have audited the financial statements of Selwood Academy (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 21], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Academy's Trustees, 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 trustees 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Albert Goodman LLP
....

Joseph Doggrell (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 18|12021

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO SELWOOD ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Selwood Academy during the year to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees' funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing compliance against the requirements of the Academies Financial Handbook (September 2019);
- A review of the governance policies and procedures with specific consideration of financial planning, monitoring and control;
- Gaining assurance that the lines of delegation and the limits set both internally by the academy and by ESFA have been adhered to;
- A review of all meeting minutes of the board trustees;
- An examination of financial transactions to identify any unusual items which may be improper; and
- A review of the declaration of interests completed by the trustees.

Conclusion

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

Albert Goodman LLP

....
Joseph Doggrell
For and on behalf of Albert Goodman LLP, Chartered Accountants

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 18|1|2021

SELWOOD ACADEMY

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	11,754	19,596	53,562	84,912
Charitable activities:					
Funding for the Academy trust's educational operations	3	-	3,092,329	-	3,092,329
Other trading activities	4	100,080	-	-	100,080
Investments	5	120	-	-	120
Total		111,954	3,111,925	53,562	3,277,441
Expenditure on:					
Charitable activities:					
Academy trust educational operations	7	103,956	3,166,391	199,119	3,469,466
Net income/(expenditure)		7,998	(54,466)	(145,557)	(192,025)
Transfers between funds		(10,545)	57,833	(47,288)	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	21	-	(591,000)	-	(591,000)
Net movement in deficit		(2,547)	(587,633)	(192,845)	(783,025)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		19,747	(2,036,700)	6,354,488	4,337,535
Total funds/(deficit) carried forward at 31 August 2020		17,200	(2,624,333)	6,161,643	3,554,510

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2019 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
Income and endowments from:					
Donations and capital grants	2	26,926	43,514	697,061	767,501
Charitable activities:					
Funding for the Academy trust's educational operations	3	-	2,882,014	-	2,882,014
Other trading activities	4	169,080	-	-	169,080
Investments	5	169	-	-	169
Total		196,175	2,925,528	697,061	3,818,764
Expenditure on:					
Charitable activities:					
Academy trust educational operations	7	343,861	2,915,693	190,222	3,449,776
Net (expenditure)/income		(147,686)	9,835	506,839	368,988
Transfers between funds		-	(183,551)	183,551	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	21	-	(287,000)	-	(287,000)
Net movement in (deficit)/funds		(147,686)	(460,716)	690,390	81,988
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		167,433	(1,575,984)	5,664,098	4,255,547
Total funds/(deficit) carried forward at 31 August 2019		19,747	(2,036,700)	6,354,488	4,337,535

SELWOOD ACADEMY

(REGISTRATION NUMBER: 07814065)

BALANCE SHEET AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	6,156,647	6,163,095
Current assets			
Debtors	12	235,715	441,802
Cash at bank and in hand		201,449	13,514
		437,164	455,316
Creditors: Amounts falling due within one year	13	(245,301)	(229,876)
Net current assets		191,863	225,440
Total assets less current liabilities		6,348,510	6,388,535
Net assets excluding pension liability		6,348,510	6,388,535
Pension scheme liability	21	(2,794,000)	(2,051,000)
Net assets including pension liability		3,554,510	4,337,535
Funds of the Academy:			
Restricted funds			
Restricted general fund		(2,624,333)	(2,036,700)
Restricted fixed asset fund		6,161,643	6,354,488
		3,537,310	4,317,788
Unrestricted funds			
Unrestricted general fund		17,200	19,747
Total funds		3,554,510	4,337,535

The financial statements on pages 27 to 51 were approved by the Trustees, and authorised for issue on ..10/12/20 and signed on their behalf by:

Clare Cardnell

C Cardnell

Trustee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	16	326,925	(328,229)
Cash flows from investing activities	17	(138,990)	(75,390)
Change in cash and cash equivalents in the year		187,935	(403,619)
Cash and cash equivalents at 1 September		13,514	417,133
Cash and cash equivalents at 31 August	18	201,449	13,514

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.

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

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

Grants

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

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

Capital grants are recognised 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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 Statement of Financial Activities.

Asset class	Depreciation method and rate
Long term leasehold land	Straight line over 125 years
Long term leasehold buildings	Straight line 2% per annum
3G Pitch	Straight line 10% per annum
Furniture and equipment	Straight line 15% per annum
Plant and equipment	Straight line 15% per annum
Motor vehicles	Straight line 20% per annum
Computer equipment	Straight line 25% per annum

Liabilities

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

1 Accounting policies (continued)

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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

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

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

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.

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a *roll forward approach which projects results from the latest full actuarial valuation performed at* 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Capital grants DfE/ESFA	-	-	53,562	53,562	697,061
Other donations	11,754	19,596	-	31,350	70,440
	11,754	19,596	53,562	84,912	767,501

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2019/20 Total £	2018/19 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	2,629,398	2,629,398	2,515,447
Other DfE/ESFA grants	392,216	392,216	256,500
	3,021,614	3,021,614	2,771,947
Other government grants			
Other government grants non capital	10,120	10,120	28,659
High Needs	52,292	52,292	81,408
	62,412	62,412	110,067
Non-government grants and other income			
Coronavirus exceptional support	8,303	8,303	-
Total grants	3,092,329	3,092,329	2,882,014

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding". The funding received for coronavirus exceptional support covers the additional costs with providing the free school meals provision and additional cleaning.

4 Other trading activities

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Facilities and services income	56,274	56,274	38,963
Educational trips and activities	26,122	26,122	130,117
Other income	17,684	17,684	-
	100,080	100,080	169,080

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	120	120	169

6 Expenditure

		Non Pay Expenditure			
	Staff costs £	Premises £	Other costs £	2020 Total £	2019 Total £
Academy's educational operations					
Direct costs	2,245,406	-	114,024	2,359,430	2,364,955
Allocated support costs	591,350	322,348	196,338	1,110,036	1,084,821
	2,836,756	322,348	310,362	3,469,466	3,449,776

Net income/(expenditure) for the year includes:

	2019/20 £	2018/19 £
Operating lease rentals	5,426	5,803
Depreciation	197,440	190,222
Fees payable to auditor - audit	7,000	9,500
- other audit services	2,200	1,650

7 Charitable activities

	2019/20 £	2018/19 £
Direct costs - educational operations	2,359,430	2,364,955
Support costs - educational operations	1,110,036	1,084,821
	3,469,466	3,449,776

	Educational operations £	2019/20 Total £	2018/19 Total £
Analysis of direct costs			
Teaching and educational support staff costs	2,245,406	2,245,406	2,183,142
Educational supplies	67,902	67,902	57,298
Staff development	7,284	7,284	6,586
Other direct costs	30,884	30,884	42,000
Trip costs	7,954	7,954	75,929
Total direct costs	2,359,430	2,359,430	2,364,955

7 Charitable activities (continued)

	Educational operations £	2019/20 Total £	2018/19 Total £
Analysis of support costs			
Support staff costs	591,350	591,350	484,249
Depreciation	199,119	199,119	190,222
Recruitment and support	7,183	7,183	7,458
Rent, rates and utilities	66,256	66,256	65,201
Insurance	17,726	17,726	19,139
Catering	28,081	28,081	26,946
Maintenance of premises and equipment	38,548	38,548	8,394
Cleaning	18,425	18,425	7,376
Technology costs	29,868	29,868	57,337
Professional fees	43,288	43,288	160,582
Other support costs	61,397	61,397	57,917
Governance costs	8,795	8,795	-
Total support costs	1,110,036	1,110,036	1,084,821

8 Staff

Staff costs

	2019/20 £	2018/19 £
Staff costs during the year were:		
Wages and salaries	1,995,616	1,982,723
Social security costs	178,220	175,657
Operating costs of defined benefit pension schemes	582,446	444,925
	2,756,282	2,603,305
Supply staff costs	80,474	64,086
	2,836,756	2,667,391

8 Staff (continued)

Staff numbers

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

	2020 No	2019 No
Charitable Activities		
Teachers	31	25
Administration and support	54	51
Management	5	5
	90	81

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2020 No	2019 No
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

Key management personnel

The key management personnel of the academy trust 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 trust was £420,862 (2019: £386,521).

9 Related party transactions - trustees' remuneration and expenses

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

J Hopegood (Head teacher and Accounting Officer):

Remuneration: £80,000 - £85,000 (2019 - £75,000 - £80,000)
Employer's pension contributions: £15,000 - £20,000 (2019 - £10,000 - £15,000)

K Preston (Staff trustee):

Remuneration: £35,000 - £40,000 (2019 - £25,000 - £30,000)
Employer's pension contributions: £5,000 - £10,000 (2019 - £0 - £5,000)

M Bailey (Staff trustee):

Remuneration: £10,000 - £15,000 (2019 - £10,000 - £15,000)
Employer's pension contributions: £0 - £5,000 (2019 - £0 - £5,000)

During the year ended 31 August 2020, travel and subsistence expenses totalling £Nil (2019 - £Nil) were reimbursed or paid directly to 0 trustees (2019 - 0).

Other related party transactions involving the trustees are set out in note 22.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Leasehold land and buildings £	3G Pitch £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 September 2019	6,351,281	612,933	301,667	345,614	20,720	7,632,215
Additions	155,577	28,787	1,863	6,445	-	192,672
At 31 August 2020	6,506,858	641,720	303,530	352,059	20,720	7,824,887
Depreciation						
At 1 September 2019	819,088	41,824	258,311	329,178	20,720	1,469,121
Charge for the year	108,666	62,972	20,302	7,179	-	199,119
At 31 August 2020	927,754	104,796	278,613	336,357	20,720	1,668,240
Net book value						
At 31 August 2020	5,579,104	536,924	24,917	15,702	-	6,156,647
At 31 August 2019	5,532,193	571,109	43,356	16,436	-	6,163,094

12 Debtors

	2020 £	2019 £
Trade debtors	8,001	8,890
VAT recoverable	86,961	75,779
Prepayments and accrued income	140,753	357,133
	235,715	441,802

13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	16,711	9,519
Other taxation and social security	44,280	41,213
Other creditors	13,686	-
Accruals and deferred income	120,834	137,623
Pension scheme creditor	49,790	41,521
	245,301	229,876

	2020	2019
	£	£
Deferred income		
Deferred income at 1 September 2019	20,629	31,034
Resources deferred in the period	8,001	20,629
Amounts released from previous periods	(20,629)	(31,034)
Deferred income at 31 August 2020	8,001	20,629

At the balance sheet date the academy trust was holding funds received in advance from the ESFA. relating to the 2019/20 academic year.

14 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	2,629,398	(2,599,450)	47,288	77,236
Other DfE/ESFA grants	14,300	400,519	(340,480)	10,545	84,884
Other Local Authority Grant	-	62,412	(62,412)	-	-
Other restricted funds	-	19,596	(12,049)	-	7,547
Pension reserve	(2,051,000)	-	(152,000)	(591,000)	(2,794,000)
	(2,036,700)	3,111,925	(3,166,391)	(533,167)	(2,624,333)
Restricted fixed asset funds					
Inherited fixed assets	5,256,936	-	(105,433)	-	5,151,503
DfE/ESFA capital grants	482,224	39,331	(3,651)	(78,882)	439,022
Capital expenditure from GAG	59,793	-	(27,063)	-	32,730
3G Sports Pitch	555,535	14,231	(62,972)	31,594	538,388
	6,354,488	53,562	(199,119)	(47,288)	6,161,643
Total restricted funds	4,317,788	3,165,487	(3,365,510)	(580,455)	3,537,310
Unrestricted funds					
General	19,747	111,954	(103,956)	(10,545)	17,200
Total funds	4,337,535	3,277,441	(3,469,466)	(591,000)	3,554,510

14 Funds (continued)

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

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	-	2,515,447	(2,344,800)	(170,647)	-
Other DfE/ESFA grants	37,785	325,153	(335,734)	(12,904)	14,300
Other restricted funds	1,231	84,928	(86,159)	-	-
Pension reserve	(1,615,000)	-	(149,000)	(287,000)	(2,051,000)
	(1,575,984)	2,925,528	(2,915,693)	(470,551)	(2,036,700)
Restricted fixed asset funds					
Inherited fixed assets	5,450,425	-	(105,433)	(88,056)	5,256,936
DfE/ESFA capital grants	202,894	193,617	-	85,713	482,224
Capital expenditure from GAG	10,779	39,749	(42,965)	52,230	59,793
3G Sports Pitch	-	463,695	(41,824)	133,664	555,535
	5,664,098	697,061	(190,222)	183,551	6,354,488
Total restricted funds	4,088,114	3,622,589	(3,105,915)	(287,000)	4,317,788
Unrestricted funds					
General	167,433	196,175	(343,861)	-	19,747
Total funds	4,255,547	3,818,764	(3,449,776)	(287,000)	4,337,535

15 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,156,647	6,156,647
Current assets	17,200	414,968	4,996	437,164
Current liabilities	-	(245,301)	-	(245,301)
Pension scheme liability	-	(2,794,000)	-	(2,794,000)
Total net assets	17,200	(2,624,333)	6,161,643	3,554,510

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,163,096	6,163,096
Current assets	19,747	149,673	285,896	455,316
Current liabilities	-	(135,373)	(94,503)	(229,876)
Pension scheme liability	-	(2,051,000)	-	(2,051,000)
Total net assets	19,747	(2,036,700)	6,354,489	4,337,536

16 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

	2020 £	2019 £
Net (expenditure)/income	(192,025)	368,988
Depreciation	199,119	190,222
Capital grants from DfE and other capital income	(53,562)	(697,061)
Interest receivable	(120)	(169)
Defined benefit pension scheme cost less contributions payable	114,000	107,000
Defined benefit pension scheme finance cost	38,000	42,000
Decrease/(increase) in debtors	206,087	(313,064)
Increase/(decrease) in creditors	15,426	(26,145)
Net cash provided by/(used in) Operating Activities	326,925	(328,229)

17 Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	120	169
Purchase of tangible fixed assets	(192,672)	(772,620)
Capital funding received from sponsors and others	53,562	697,061
Net cash used in investing activities	(138,990)	(75,390)

18 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	201,449	13,514
Total cash and cash equivalents	201,449	13,514

19 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash	13,514	187,935	201,449
Total	13,514	187,935	201,449

20 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.

21 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Somerset 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 2016.

Contributions amounting to £49,790 (2019: £41,521) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £314,598 (2019: £214,696).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

21 Pension and similar obligations (continued)

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £158,000 (2019 - £158,000), of which employer's contributions totalled £125,000 (2019 - £123,000) and employees' contributions totalled £33,000 (2019 - £35,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.30	3.70
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	1.60	1.90
Inflation assumptions (CPI)	1.50	2.20

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

	2020	2019
Retiring today		
Males retiring today	23.30	22.90
Females retiring today	24.80	24.00
Retiring in 20 years		
Males retiring in 20 years	24.70	24.60
Females retiring in 20 years	26.20	25.80

Sensitivity analysis

	2020 £
Discount rate +0.1%	4,635,000
Discount rate -0.1%	4,857,000
Mortality assumption – 1 year increase	4,926,000
Mortality assumption – 1 year decrease	4,571,000
Pension increases +0.1%	4,848,000
Pension increases -0.1%	4,645,000
Long term salary increase +0.1%	4,754,000
Long term salary increase -0.1%	4,736,000

21 Pension and similar obligations (continued)

The academy trust's share of the assets in the scheme were:

	2020 £	2019 £
Equities	1,357,000	1,268,000
Gilts	137,000	107,000
Other bonds	212,000	164,000
Property	143,000	145,000
Cash and other liquid assets	102,000	106,000
Total market value of assets	1,951,000	1,790,000

The actual return on scheme assets was £29,000 (2019 - £116,000).

Amounts recognised in the statement of financial activities

	2020 £	2019 £
Current service cost	239,000	224,000
Past service cost	-	6,000
Interest cost	37,000	41,000
Admin expenses	1,000	1,000
Total amount recognized in the SOFA	277,000	272,000

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

	2020 £	2019 £
At start of period	3,841,000	3,173,000
Current service cost	239,000	224,000
Interest cost	71,000	84,000
Employee contributions	33,000	35,000
Actuarial (gain)/loss	323,000	360,000
Losses or gains on curtailments	263,000	-
Benefits paid	(25,000)	(41,000)
Past service cost	-	6,000
At 31 August	4,745,000	3,841,000

21 Pension and similar obligations (continued)

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

	2020 £	2019 £
At start of period	1,790,000	1,558,000
Interest income	34,000	43,000
Actuarial gain/(loss)	(5,000)	73,000
Employer contributions	125,000	123,000
Employee contributions	33,000	35,000
Benefits paid	(25,000)	(41,000)
Effect of non-routine settlements	(1,000)	(1,000)
At 31 August	1,951,000	1,790,000

22 Related party transactions

Owing to the nature of the academy trust 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 AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.