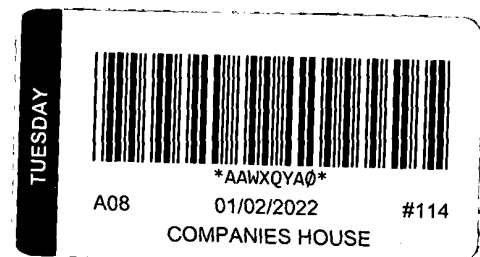


Company Registration No. 08873553 (England and Wales)

GREAT WESTERN ACADEMY LIMITED
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021



GREAT WESTERN ACADEMY LIMITED

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GREAT WESTERN ACADEMY LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

C Kitching (Resigned 18.11.2020)
D Martin
L Durrant
D Adams (Appointed 24.09.2020)
S Balchin (Appointment 24.09.2020)

Trustees

G Davis (Principal and accounting officer)
J Elliott
A Hamer (Chair of Finance and Resources Committee)
S Harris (Appointed 31 March 2021)
M Horrobin
M Hunt
M Smith (Appointed 3 February 2021)
G Taylor
J Trugdian (Appointed 25 June 2021)
A Wild (Chair of Trustees)

Senior management team

- Principal	G Davis
- Assistant Principal	D Clarke
- Assistant Principal	K Spencer
- Business Manager	E Frobisher

Company registration number

08873553 (England and Wales)

Registered office

Great Western Academy
William Morris Way
Tadpole Garden Village
Swindon
SN25 2PP

Independent auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Bankers

Barclays bank Plc
PO Box 299
Birmingham
B1 3PF

Solicitors

Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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

The academy trust operates an academy for pupils aged 11 to 18 serving a catchment area in Swindon, opened in September 2018 with one year group of students. In 2020/21 the academy had students in years 7,8,9,12 and 13. It has a pupil capacity of 1210 when full and had a roll of 615 in the school census of October 2021.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Great Western Academy Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Great Western Academy (GWA).

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a 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

In accordance with the Companies Act 2006 it is confirmed that the Academy Insurance cover includes Trustees' indemnity.

Method of recruitment and appointment or election of trustees

The trust's Articles of Association allow for the following to be appointed as trustees:

- up to 9 trustees appointed by the members of the trust
- up to 3 trustees appointed by New College
- a minimum of 2 parent trustees
- the chief executive officer may be appointed as trustee

The recruitment of new Trustees follows the national guidelines for Safer Recruitment. These guidelines apply to all staff, Trustees and Members recruited by the Trust. The Chair of Trustees is fully trained in Safer Recruitment.

Policies and procedures adopted for the induction and training of trustees

The training for new trustees is provided by Swindon Borough Council (New Governor Training) and any additional training is dependent upon the result of a skills gap analysis being undertaken. This will always include the provision of any documents that are required for them to undertake their role efficiently and effectively.

Organisational structure

The Academy has a structure which consists of the Trustees, Principal and Senior Leadership Team, and middle leaders in core subject, pastoral and administrative roles. The Principal is the Accounting Officer. The Principal works with the Leadership Team to make operational decisions. The Principal and the Business Manager are responsible for the authorisation of spending within agreed limits, as set out in the financial scheme of delegation.

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Arrangements for setting pay and remuneration of key management personnel

The Leadership team comprises of the key management personnel of the academy in charge of directing and controlling, running and operating the Trust on day to day basis. All Trustees give their time freely and no trustee received remuneration in the year.

The pay of key management personnel is determined by the School Teacher's pay and conditions document.

The pay of the Principal is determined by size of the school in accordance with the STPC document and the scales of the Assistant Principal is linked to the Principal's with the appropriate differentials. The Business Manager's pay is set in line with comparative roles based on the NJC Pay scales.

The Trustees set and review the Principal's appraisal objectives on an annual basis.

Related parties and other connected charities and organisations

There are no related parties which either control or significantly influence the decisions and operations of Great Western Academy.

Objectives and activities

Objects and aims

The Academy Trust's object are specifically restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Objectives, strategies and activities

The academy's approach is based around core values of Achievement, Care and Excellence. The academy believe that pupils should become enterprising people ready to embark on new adventures full of boldness and initiative. Adults of tomorrow need to be independent thinkers and lifelong learners since their careers may include different jobs – some of which have not yet been created.

The main aims for 2020/21 were to ensure successful outcomes and destinations for year 13 students, and to continue to grow with three full year groups in Year 7, 8 and 9, providing them with an exceptional educational experience, and preparing the Academy for further expansion into 2021/22 and beyond.

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commissioners general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities. All of our charitable activities are undertaken to further our charitable purposes for the public benefit

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

The Academy achieved its aims for 2020/21 despite significant challenges due to the Covid-19 pandemic:

- Every student in year 13 proceeded to a positive destination, with significant success in university applications, many to Russell Group destinations including Oxford and Cambridge
- Year 13 results (Teacher Assessed Grades) were rigorously produced in a process approved by JCQ despite significant scrutiny as a new exam centre, and outcomes showed exceptional progress
- Students in years 7, 8 and 9 took externally benchmarked assessments which confirmed that exceptional progress is being made in core subjects
- Students were extremely well served during the pandemic shut-down by an exceptional on-line provision which ensured no loss of content of learning. Families and individuals were also supported in situations where well-being concerns were apparent
- The Academy remained heavily over-subscribed, with waiting lists for entry into years 7, 8 and 9
- Recruitment strategies designed to support growth in staffing ensured that the Academy remained fully staffed with strong, fully qualified practitioners
- Financially the pandemic has had an impact on income and expenditure. The Academy's GAG income has remained unchanged by Covid, but the budgeted income from lettings was reduced from the previous £30k to £15k. When lettings were resumed, they were on a reduced basis to comply with covid regulations. Sodexo held the contract to provide Catering and Cleaning for the Academy. During the lockdown in early 2021 Sodexo opted to furlough their staff. Sodexo reduced their charges to GWA as a variation to contract during this time
- The majority of the additional expenditure for Covid was on consumables. Hand sanitiser, anti bacterial spray and wipes, disposal masks, PPE and extra cleaning. To provide more outside space for safer eating and gathering a large canopy costing £21.3k was ordered this year. Due to the increased demands from schools the canopy installation was delayed to October 2021
- Risks identified for the 2021/22 year include the risk of covid regulations being introduced at a future date with the usual impact on income and expenditure
- New catering and cleaning contractors have now been appointed and started in September 2021
- A tendering process will take place this year to appoint a new IT company from 1st August 2022. There is a risk that this cost may be higher than in the original forecasted budget

Key performance Indicators

GWA has not had an Ofsted inspection yet as the usual 3-year visit for a new school was postponed due to the pandemic. The Trustees continue to ensure the Academy is ready for an Ofsted visit. Building on a review carried out in July 2019 the Trustees commissioned a further review in May 2021. This provided a significant amount of positive feedback and a small number of areas to focus on for further improvement. Trustees have invited the reviewer to re-visit the Academy in autumn 2021.

Trustees monitor all other aspects of the Academy's performance by close scrutiny of the Academy's Development Plan. Trustees remain assured that the Academy is performing well in all aspects of its work.

The key financial indicator for the year 2020/21 was that the Academy operated within its means and continued to accrue reserves, aiming for an in-year surplus of £50,000. This was exceeded. The Trustees consider benchmarking against other financial indicators as very difficult during the first few years of establishment and growth. For example, costs of maintaining the premises and of buying new educational resources are disproportionate during the first few years of operation. All spending is monitored, but benchmarking against other, full schools using the DfE benchmarking tool is difficult as the figures lag considerably. Now that the Academy is approaching full capacity, at least in years 7 to 10, the Trustees will consider further financial performance indicators as the Academy grows.

The in-year restricted surplus was £105,000 and the in-year unrestricted surplus was £Nil.

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Going concern

The Trustees are focussed on the education of young people in Swindon. The board of trustees is satisfied that the academy trust has a good reputation in Swindon, a long waiting list in Years 7 to 10 and adequate resources to continue in operational existence for the foreseeable future. The Academy has used its funds prudently but has not shirked away from buying equipment and resources needed to deliver the curriculum. 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 Department of Education (DfE), via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grant received from the DfE during the year ended 31st August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Total funds at 1 September 2020 = £21,041,000 (2019: £20,805,000)

Total income for the year = £3,578,000 (2020: £3,177,000)

Total expenditure for the year = £4,094,000 (2020: £2,949,000)

Actuarial (losses)/gains on the defined pension scheme = £(118,000) (2020: £8,000)

Total funds at 31 August 2021 = £20,407,000 (2020: £21,041,000)

At 31 August 2021, the actual position of reserves was £444,000 (2020: £339,000) (being the total balance at 31 August 2021 on restricted general funds [excluding pension reserve] plus the balance on unrestricted funds).

The pension deficit at 31 August 2021 was £284,000 (2020: £68,000).

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 £25,000 representing one month's charitable activities resources expended (excluding depreciation). The reason for 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.

As at 31 August 2021, the Academy had free reserves (total funds less the amount held in fixed assets and restricted funds) of £108,000 (2020: £108,000).

The academy also held an amount of £336,000 (2020: £231,000) on restricted general funds. The reserves held are above the required level.

The total balance at 31 August 2021 on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was £444,000 (2020: £339,000)

In total, at 31 August 2021, the funds of the academy were £20,407,000 (2020: £21,041,000), which is represented by £20,299,000 (2020: £20,933,000) of restricted funds and £108,000 (2020: £108,000) unrestricted funds.

£20,247,000 (2020: £20,770,000) of the restricted funds can only be realised by disposing of tangible fixed assets.

The trustees acknowledge the pension reserve deficit of £284,000 (2020: £68,000) and will regularly monitor the situation.

The pension position is reviewed annually. The trust currently holds a deficit pension reserve, which would generally indicate a future cash flow risk, with a requirement to increase employers' pension contributions over a period of years.

The existence of the pension scheme deficit does not mean an immediate liability crystallises and is addressed over a series of years through pension contributions recommended by the pension scheme actuaries during subsequent triennial valuations of the scheme.

Investment policy

The only investments held are cash balances. During the coming year the trustees will review investment of free cash reserves.

Principal risks and uncertainties

The trustees confirm that the major risks have been reviewed and systems or procedures have been established to manage those risks. The principal risks and uncertainties facing the Academy are:

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Safeguarding 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 child safeguarding and protection policies and procedures, health and safety and discipline.

Financial

The Academy has a considerable reliance on continued funding from the Government through the ESFA. 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 rate.

Failures in Governance or management

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

Growing pupil numbers

As a new and growing school there is a risk associated with the current smaller sixth form provision than that which is planned in the longer term, once students in the lower school progress into Year 12. However, numbers remain relatively strong and the Sixth Form affords many benefits to the Academy, not least reputational, and in terms of recruiting subject specialist teachers. Trustees consider this risk has so far been well managed and the Academy is confident it can sustain the Sixth Form until September 2023 when a natural growth in numbers will occur as our own year 11 students join the Sixth Form.

There is also a risk that the coming new Year 7 cohorts will be undersubscribed, although this is currently a low risk as the Academy is currently oversubscribed and has significant waiting lists in all year groups 7 to 10.

Reputational

The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed as well as the public reputation of the school.

Staffing

The success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Academy has appointed Finance Services For Schools Ltd to undertake a program of additional testing and to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising will be monitored by the Trustees who are looking to raise external funds. These will be to supplement but not replace the GAG funding. The last two years plans for fundraising have been hampered by the pandemic. A plan for fundraising will be implemented in 2021-22.

GREAT WESTERN ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The Academy Trust continues to aim to provide exceptional education for students already attending, and to recruit strongly for future year groups, both in terms of numbers of students and in terms of quality of staff.

Trustees will also consider the strategic future of the Academy Trust taking into account local and regional developments in how schools work together in Multi-Academy Trusts.

Auditor

In so far 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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 10 December 2021 and signed on its behalf by:


A Wild
Chair of Trustees

GREAT WESTERN ACADEMY LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Great Western Academy Limited and the Secretary of State for Education. The accounting officer is 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 Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
G Davis (Principal and accounting officer)	6	6
J Elliott	6	6
A Hamer (Chair of Finance and Resources Committee)	5	6
S Harris (Appointed 31 March 2021)		
M Horrobin	1	1
M Hunt	1	1
M Smith (Appointed 3 February 2021)		
G Taylor	5	6
J Trugdian (Appointed 25 June 2021)		
A Wild (Chair of Trustees)	6	6

During 2020/21 three new Trustees were recruited, one of them was a second parent Trustee. The board undertook an audit of strengths of Trustees to ensure that newly recruited Trustees provided the expertise required. New Trustees bring significant experience in education, finance, health and safety and views of the wider community. There are two committees that meet six times a year.

Finance and Resources Committee:

The role of the Finance and Resource Committee is to receive, review and monitor Financial performance information at Great Western Academy. The Finance and Resource Committee met 5 times in 2020 - 2021. The meetings were held two weeks before the Full Governing body meetings in order for any relevant information to be passed on. Attendance during the year at the committee meetings was as follows:

Trustee	Meetings attended	Out of a possible
G Davis	5	5
A Hamer (Chair)	3	5
A Wild	5	5
M Smith	4	4
S Harris	2	2
E Frobisher (Business Manager)	5	5

Pupils and Standard's Committee:

The role of the Pupils and Standard's Committee is to consider the wellbeing and progress of students in the school as well as considering the curriculum they follow and the quality of teaching and learning.

GREAT WESTERN ACADEMY LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees use performance data provided by the Academy's Leadership Team, such as pupil progress data, attendance data and information about the curriculum, behaviour and attitudes, and the quality of teaching and learning. Trustees challenge the Leadership Team over areas of concern and to ensure the Academy is not only providing strong education for the students on roll but is also readying itself for successful expansion.

Review of value for money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during 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:

- ensuring the efficient and effective deployment of staff to maximise educational attainment
- making the academy's facilities available to the local community at competitive rates which support the use of the site by community groups and generate income for the academy
- ensuring the creation of reserves

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Great Western Academy for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

The Trustees appointed One West Auditors, part of Bath and North East Somerset Council, to carry out an internal Audit during 2020 to 2021. The academy testing areas covered were Governance, Value for Money and Budgetary Control. The academy did well in all areas. There were some suggested improvements which the Senior Leadership Team will ensure are followed and implemented.

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 period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

GREAT WESTERN ACADEMY LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 board of trustees 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 audit function and has appointed One West as the internal auditor to carry out a programme of internal checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The review took place during 2020/21 and the checks carried out included testing of Governance, Value for Money and Budgetary Control. On an annual basis, the reviewer reports to the board of trustees, through the Finance and Resource committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares a report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The reviewer has delivered their schedule of work as planned and no material control issues arose.

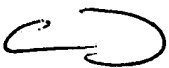
Review of effectiveness

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

- the work of the external auditor
- the work of the internal 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 board of trustees and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 10 December 2021 and signed on its behalf by:



G Davis
Principal and accounting officer



A Wild
Chair of Trustees

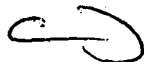
GREAT WESTERN ACADEMY LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Great Western Academy Limited, 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 2020.

I confirm that I and the academy trust's 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 2020.

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



G Davis
Accounting Officer

10 December 2021

GREAT WESTERN ACADEMY LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Great Western Academy Limited for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 10 December 2021 and signed on its behalf by:

A Wild
Chair of Trustees



GREAT WESTERN ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN ACADEMY LIMITED

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Great Western Academy Limited for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

GREAT WESTERN ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN ACADEMY LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (which includes the strategic report and directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report, included within the trustees' report.

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

- 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the the directors of the academy trust for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust'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 trust, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

GREAT WESTERN ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN ACADEMY LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Academy Trust.

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- The risk associated with non-disclosure of related party transactions is deemed a significant risk, due to the trustees potentially being involved with other charities and organisations which could be unknown to the management team and the scrutiny around related party transactions by the ESFA.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be Academies Accounts Direction, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council, Companies Act 2006 and UK Taxation legislation. We considered how the Academy Trust complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the Academy Trust and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed support received through the Coronavirus support schemes, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- confirmed monthly management accounts were reviewed by the board;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

GREAT WESTERN ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN ACADEMY LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work, to include comparison with prior periods;
- agreed a sample of documentation to confirm that relevant entries were reflected in the accounting records and allocated to the correct period and
- reviewed minutes of trustees' meetings and confirmed income sources mentioned were included correctly within the accounts.

In response to the risk of irregularities with regards to non-disclosure of related parties we:

- reviewed trustee's declaration of interests for mention of possible related parties;
- performed searches of public registers for any related parties associated with trustees;
- agreed disclosures to source records, including approval; and
- reviewed minutes of meetings for mention of any potential related party.

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

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

Ann Mathias

**Ann Mathias (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP**

**Chartered Accountants
Statutory Auditor**

16 DECEMBER 2021

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

GREAT WESTERN ACADEMY LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT WESTERN ACADEMY LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 3 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Great Western Academy Limited during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Great Western Academy Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Great Western Academy Limited's funding agreement with the Secretary of State for Education dated 13 February 2018 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance.
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions

GREAT WESTERN ACADEMY LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT WESTERN ACADEMY LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

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

Moore(South)LLP

Reporting Accountant

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Dated: *16 DECEMBER 2021*

GREAT WESTERN ACADEMY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000 Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:					
Donations and capital grants	3	-	1 78	79	619
Charitable activities:					
- Funding for educational operations	4	62	3,413 -	3,475	2,486
Other trading activities	5	24	- -	24	72
Total		<u>86</u>	<u>3,414 78</u>	<u>3,578</u>	<u>3,177</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	86	3,346 662	4,094	2,949
Total	6	<u>86</u>	<u>3,346 662</u>	<u>4,094</u>	<u>2,949</u>
Net income/(expenditure)		-	68 (584)	(516)	228
Transfers between funds	15	-	(61) 61	-	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	17	-	(118) -	(118)	8
Net movement in funds		-	(111) (523)	(634)	236
Reconciliation of funds					
Total funds brought forward		108	163 20,770	21,041	20,805
Total funds carried forward		<u>108</u>	<u>52 20,247</u>	<u>20,407</u>	<u>21,041</u>

GREAT WESTERN ACADEMY LIMITED

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

Comparative information ended 31 August 2020	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000
Income and endowments from:					
Donations and capital grants	3	-	-	619	619
Charitable activities:					
- Funding for educational operations	4	75	2,411	-	2,486
Other trading activities	5	72	-	-	72
Total		<u>147</u>	<u>2,411</u>	<u>619</u>	<u>3,177</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	71	2,300	578	2,949
Total	6	<u>71</u>	<u>2,300</u>	<u>578</u>	<u>2,949</u>
Net income		76	111	41	228
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	17	-	8	-	8
Net movement in funds		76	119	41	236
Reconciliation of funds					
Total funds brought forward		32	44	20,729	20,805
Total funds carried forward		<u>108</u>	<u>163</u>	<u>20,770</u>	<u>21,041</u>

GREAT WESTERN ACADEMY LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021	2020
	Notes	£'000	£'000
Fixed assets			
Tangible assets	11	20,236	20,769
Current assets			
Debtors	12	45	433
Cash at bank and in hand		971	564
		<u>1,016</u>	<u>997</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(561)	(657)
Net current assets		<u>455</u>	<u>340</u>
Net assets excluding pension liability		<u>20,691</u>	<u>21,109</u>
Defined benefit pension scheme liability	17	(284)	(68)
Total net assets		<u>20,407</u>	<u>21,041</u>
Funds of the academy trust:			
Restricted funds	15		
- Fixed asset funds		20,247	20,770
- Restricted income funds		336	231
- Pension reserve		(284)	(68)
Total restricted funds		<u>20,299</u>	<u>20,933</u>
Unrestricted income funds	15	<u>108</u>	<u>108</u>
Total funds		<u>20,407</u>	<u>21,041</u>

The accounts on pages 20 to 41 were approved by the trustees and authorised for issue on 10 December 2021 and are signed on their behalf by:


A Wild
Chair of Trustees

Company Number 08873553

GREAT WESTERN ACADEMY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by operating activities	18	458	333
Cash flows from investing activities			
Capital grants from DfE Group		78	619
Purchase of tangible fixed assets		(129)	(618)
Net cash (used in)/provided by investing activities		(51)	1
Net increase in cash and cash equivalents in the reporting period		407	334
Cash and cash equivalents at beginning of the year		564	230
Cash and cash equivalents at end of the year		971	564

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts 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 accounts.

1.3 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 period 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 recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Other income

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

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

1.5 Tangible fixed assets and depreciation

Assets costing £1,500 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 that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property	15-100 years
Computer equipment	3-5 years
Furniture and equipment	5 years

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.

GREAT WESTERN ACADEMY LIMITED

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

1 Accounting policies

(Continued)

1.6 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.

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred Income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 Pensions benefits

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

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 quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 or 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.

1.11 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.

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 24.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement (Continued)

Critical areas of judgement

None

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Capital grants	-	78	78	619
Other donations	-	1	1	-
	<u>-</u>	<u>79</u>	<u>79</u>	<u>619</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	2,715	2,715	2,015
Other DfE/ESFA grants:				
Pupil premium	-	83	83	55
Start up grants	-	178	178	-
Teacher pay grant	-	42	42	28
Teacher pension grant	-	129	129	100
Others	-	54	54	33
	<u>-</u>	<u>3,201</u>	<u>3,201</u>	<u>2,231</u>
Other government grants				
Local authority grants	-	148	148	156
	<u>-</u>	<u>148</u>	<u>148</u>	<u>156</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	37	37	-
Non-DfE/ESFA				
Other COVID-19 funding	-	27	27	-
	<u>-</u>	<u>64</u>	<u>64</u>	<u>-</u>
Other incoming resources	62	-	62	99
	<u>62</u>	<u>-</u>	<u>62</u>	<u>99</u>
Total funding	<u>62</u>	<u>3,413</u>	<u>3,475</u>	<u>2,486</u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

(Continued)

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

- The academy trust received £37,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £6,000, with the remaining £31,000 to be spent in 2021/22.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	8	-	8	31
Other income	16	-	16	41
	<u>24</u>	<u>-</u>	<u>24</u>	<u>72</u>

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2021 £'000	Total 2020 £'000
Academy's educational operations					
- Direct costs	2,446	-	273	2,719	2,195
- Allocated support costs	313	889	173	1,375	754
	<u>2,759</u>	<u>889</u>	<u>446</u>	<u>4,094</u>	<u>2,949</u>

Net Income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	8	8
- Other services	4	1
Operating lease rentals	5	5
Depreciation of tangible fixed assets	662	578
Net interest on defined benefit pension liability	2	1
	<u></u>	<u></u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Direct costs				
Educational operations	-	2,719	2,719	2,195
Support costs				
Educational operations	86	1,289	1,375	754
	<u>86</u>	<u>4,008</u>	<u>4,094</u>	<u>2,949</u>
			2021 £'000	2020 £'000
Analysis of support costs				
Support staff costs			313	189
Depreciation			662	217
Premises costs			227	190
Legal costs			1	51
Other support costs			157	98
Governance costs			15	9
			<u>1,375</u>	<u>754</u>

8 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	2,019	1,298
Social security costs	196	126
Pension costs	544	335
Staff costs - employees	<u>2,759</u>	<u>1,759</u>
	2,759	1,759
Staff development and other staff costs	22	10
Total staff expenditure	<u>2,781</u>	<u>1,769</u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Staff

(Continued)

Staff numbers

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

	2021 Number	2020 Number
Teachers	46	28
Administration and support	32	16
Management	6	4
	<u>84</u>	<u>48</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2021 Number	2020 Number
Teachers	39	23
Administration and support	23	10
Management	6	4
	<u>68</u>	<u>37</u>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>2</u>	<u>2</u>

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 key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £324,947 (2020: £309,397).

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows:

G Davis (principal and trustee)

Remuneration £80,000 - £85,000 (2020: £75,000 - £80,000)

Employer's pension contributions £15,000 - £20,000 (2020: £10,000 - £15,000)

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

10 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11 Tangible fixed assets

	Freehold property	Computer equipment	Furniture and equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2020	20,161	290	1,436	21,887
Additions	-	86	43	129
At 31 August 2021	20,161	376	1,479	22,016
Depreciation				
At 1 September 2020	434	111	573	1,118
Charge for the year	290	76	296	662
At 31 August 2021	724	187	869	1,780
Net book value				
At 31 August 2021	19,437	189	610	20,236
At 31 August 2020	19,727	179	863	20,769

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Debtors

	2021 £'000	2020 £'000
Trade debtors	-	5
VAT recoverable	-	203
Prepayments and accrued income	45	225
	<u>45</u>	<u>433</u>

13 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	113	320
Other taxation and social security	158	29
ESFA creditors - abatement of GAG	129	56
Other creditors	49	217
Accruals and deferred income	112	35
	<u>561</u>	<u>657</u>

14 Deferred Income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	<u>40</u>	<u>24</u>
Deferred income at 1 September 2020	24	-
Released from previous years	(24)	24
Resources deferred in the year	<u>40</u>	<u>-</u>
Deferred income at 31 August 2021	<u>40</u>	<u>24</u>

Deferred income refers to income received in the period to 31 August 2021 which relates to the year ending 31 August 2022:

	£'000
Letting income	2
Overclaim of capital monies	<u>38</u>
Total	<u>40</u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

15 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	231	2,715	(2,580)	(61)	305
Start up grants	-	178	(178)	-	-
Pupil premium	-	83	(83)	-	-
Catch-up premium	-	37	(6)	-	31
Other Coronavirus funding	-	27	(27)	-	-
Other DfE/ESFA grants	-	225	(225)	-	-
Other government grants	-	148	(148)	-	-
Other restricted funds	-	1	(1)	-	-
Pension reserve	(68)	-	(98)	(118)	(284)
	<u>163</u>	<u>3,414</u>	<u>(3,346)</u>	<u>(179)</u>	<u>52</u>
Restricted fixed asset funds					
DfE group capital grants	20,765	78	(662)	(1)	20,180
Capital expenditure from GAG	5	-	-	62	67
	<u>20,770</u>	<u>78</u>	<u>(662)</u>	<u>61</u>	<u>20,247</u>
Total restricted funds	<u>20,933</u>	<u>3,492</u>	<u>(4,008)</u>	<u>(118)</u>	<u>20,299</u>
Unrestricted funds					
General funds	108	86	(86)	-	108
Total funds	<u>21,041</u>	<u>3,578</u>	<u>(4,094)</u>	<u>(118)</u>	<u>20,407</u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Funds

(Continued)

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

General Annual Grant - the GAG is applied in strict accordance with the terms of the Model Funding Agreement. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE Group grants - these include catch up premium for those pupils who did not attain level 4 in reading and maths, the rates relief to continue towards the rates bill, the teachers pay grant and the teachers pension grant.

Pupil premium - grant to assist pupils from low income families.

Other government grants - this is the special educational needs funding and pupil premium top up funding from Swindon Borough Council and other local authorities.

Pension reserve - this deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present.

DfE Group capital grants - this represents funding specifically provided to support capital expenditure on fixed assets and the freehold property acquired when the Academy opened.

Capital expenditure from GAG - this represents the cost less depreciation of assets purchased from the GAG.

Start up grant - this represents the Project Development Grant received by new schools to cover pre opening costs.

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Funds

(Continued)

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	72	2,015	(1,856)	-	231
Pupil premium	-	55	(55)	-	-
Other DfE/ESFA grants	-	161	(161)	-	-
Other government grants	-	156	(156)	-	-
Other restricted funds	-	24	(24)	-	-
Pension reserve	(28)	-	(48)	8	(68)
	<u>44</u>	<u>2,411</u>	<u>(2,300)</u>	<u>8</u>	<u>163</u>
Restricted fixed asset funds					
DfE group capital grants	<u>20,729</u>	<u>619</u>	<u>(578)</u>	<u>-</u>	<u>20,770</u>
Total restricted funds	<u>20,773</u>	<u>3,030</u>	<u>(2,878)</u>	<u>8</u>	<u>20,933</u>
Unrestricted funds					
General funds	<u>32</u>	<u>147</u>	<u>(71)</u>	<u>-</u>	<u>108</u>
Total funds	<u>20,805</u>	<u>3,177</u>	<u>(2,949)</u>	<u>8</u>	<u>21,041</u>

16 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	20,236	20,236
Current assets	105	900	11	1,016
Creditors falling due within one year	3	(564)	-	(561)
Defined benefit pension liability	-	(284)	-	(284)
Total net assets	<u>108</u>	<u>52</u>	<u>20,247</u>	<u>20,407</u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	20,769	20,769
Current assets	108	888	1	997
Creditors falling due within one year	-	(657)	-	(657)
Defined benefit pension liability	-	(68)	-	(68)
Total net assets	108	163	20,770	21,041

17 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 Wiltshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £50,767 were payable to the schemes at 31 August 2021 (2020: £30,908) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £345,000 (2020: £227,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20% for employers and 5.5-12.5% for employees.

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

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	100	61
Employees' contributions	24	14
Total contributions	<u>124</u>	<u>75</u>
Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.3	2.6
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	<u>1.65</u>	<u>1.7</u>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations

(Continued)

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

	2021 Years	2020 Years
Retiring today		
- Males	21.9	21.7
- Females	22.9	24.0
Retiring in 20 years		
- Males	24.4	22.5
- Females	26.2	25.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021 £'000	2020 £'000
Discount rate -0.5%	23	31
Mortality assumption - 1 year	26	
CPI rate + 0.1%	0	0
Pension increase rate +0.1% (2020 0.5%)	23	31

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

	2021 Fair value £'000	2020 Fair value £'000
Equities	206	53
Bonds	124	31
Property	41	11
Other assets	4	-
Total market value of assets	375	95

The actual return on scheme assets was £35,000 (2020: £1,000).

Amount recognised in the statement of financial activities

	2021 £'000	2020 £'000
Current service cost	96	47
Interest income	(4)	(1)
Interest cost	6	2
Total operating charge	98	48

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2021	
	£'000	
At 1 September 2020	163	
Current service cost	196	
Interest cost	6	
Employee contributions	24	
Actuarial loss/(gain)	149	
Benefits paid	121	
	<hr/>	
At 31 August 2021	659	
	<hr/>	
Changes in the fair value of the academy trust's share of scheme assets	2021	
	£'000	
At 1 September 2020	95	
Interest income	4	
Actuarial gain	31	
Employer contributions	100	
Employee contributions	24	
Benefits paid	121	
	<hr/>	
At 31 August 2021	375	
	<hr/>	
18 Reconciliation of net (expenditure)/income to net cash flow from operating activities	2021	2020
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(516)	228
Adjusted for:		
Capital grants from DfE and other capital income	(78)	(619)
Defined benefit pension costs less contributions payable	96	47
Defined benefit pension scheme finance cost	2	1
Depreciation of tangible fixed assets	662	578
Decrease/(increase) in debtors	388	(118)
(Decrease)/increase in creditors	(96)	216
	<hr/>	<hr/>
Net cash provided by operating activities	458	333
	<hr/>	<hr/>

GREAT WESTERN ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	564	407	971

20 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	5	5
Amounts due in two and five years	5	10
	<u>10</u>	<u>15</u>

21 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the accounts	<u>10</u>	<u>-</u>

22 Related party transactions

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 9.

23 Members' liability

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

24 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021, the trust received £8,000 (2020: £9,000) and disbursed £1,000 (2020: £1,000) from the fund. An amount of £15,000 (2020: £8,000) is included in other creditors relating to undistributed funds that are repayable to ESFA.