

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members in office on the date the financial statements are approved

Mr David Auger
Mrs Sonja Allen (appointed 25 May 2021)
Ms Shirley Austin
Mr Richard Baden (resigned 19 November 2020)
Mrs Prue Bray
Mr Peter Christmas (appointed 13 May 2021)
Mrs Karyn Close
Mrs Clare Davis (appointed 25 May 2021)
Mr James Eaglesham (resigned 6 May 2021)
Mrs Mary Keenan
Mrs Vanessa Lobato (appointed 4 May 2021)
Mrs Alison Lovland (appointed 1 September 2020)
Mrs Anna McMenamin
Mr Ben Roberts (appointed 1 September 2020)
Mr Richard Sedgwick

Trustees in office on the date the financial statements are approved and during the year

Mrs Sonja Allen, Elected Staff Governor (appointed 25 May 2021)
David Auger, Appointed Governor
Shirley Austin, Head Teacher and Appointed Governor
Richard Baden, Appointed Governor (resigned 19 November 2020)
Prue Bray, Appointed Governor
Mr Peter Christmas, Appointed Governor (appointed 13 May 2021)
Karyn Close, Elected Parent Governor
Mrs Clare Davis, Elected Staff Governor (appointed 25 May 2021)
James Eaglesham, Elected Staff Governor (resigned 6 May 2021)
Mary Keenan, Elected Parent Governor
Mrs Vanessa Lobato, Elected Parent Governor (appointed 4 May 2021)
Alison Lovland, Chair of Governors and Appointed Governor (appointed 1 September 2020)
Anna McMenamin, Associated Member
Ben Roberts, Appointed Governor (appointed 1 September 2020)
Richard Sedgwick, Appointed Governor

Company registered number

08563159

Company name

The Forest School Academy Trust

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Principal and registered office

Robin Hood Lane
Winnersh
Wokingham
Berkshire
RG41 5NE

Company secretary

Mrs J Blaney

Senior management team

Ms S Austin, Headteacher
Mr J Hannam, Assistant Headteacher
Mr A Lawson, Assistant Headteacher
Mr S Jackman, Assistant Headteacher
Ms C Gill, Deputy Headteacher

Independent auditor

Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

Bankers

Lloyds Bank plc
Market Place
Reading
RG1 2EQ

Solicitors

Clifton Ingram LLP
22-24 Broad Street
Wokingham
Berkshire
RG40 1BA

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2020 to 31 August 2021, the comparatives relate to the 12 month period to 31 August 2020. The Annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

The trust operates a secondary Academy in the village of Winnersh, within Wokingham Borough. The Academy has 571 pupils, aged 11-18 on roll. The pupil capacity is 1400 including our 6th form. The catchment area for The Forest School is across Wokingham Borough Council, as well as Bracknell and Reading.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Constitution

The Forest School 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 governors of The Forest School Academy Trust are also the directors of the charitable company for the purposes of the company law.

Details of the Governors 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 and of the cost charges and expenses of winding up and for the adjustment of the rights of contributories amongst themselves.

Trustees' indemnities

The Trust provides indemnity insurance to governors in accordance with, and subject to the conditions of sections 232 to 235 of The Companies Act 2006, Section 189 of the Charities Act 2011 and any other provision of law applicable to charitable companies, and such indemnity is limited accordingly

Method of recruitment and appointment or election of Governors

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

The Academy's Governing Body comprises of 9 Appointed or Co-opted Governors, up to 3 Staff Governors (including the Headteacher), a minimum of 2 and a maximum of 7 Parent Governors and, the Headteacher.

The governing body may also appoint Associate Members operating within the remit of such but without voting rights.

Parent governors are elected by the parents of the current students of the Academy Trust. Staff governors are elected by the staff currently employed at the Academy Trust.

With regard to the appointment of other governors the Members will give due consideration to the skills and experience mix of the governors in order to ensure the governing body has the necessary expertise to contribute fully to the Academy's further development.

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Staff governors are elected by the staff currently employed at the Academy Trust.

All governors are appointed to serve for a period of four years, with the Chair and Vice Chair elected annually.

The Governors who served during the year were:

- Mrs Sonja Allen – Elected Staff Governor
- Mr David Auger – Appointed Governor
- Ms Shirley Austin – Headteacher and Appointed Governor
- Mr Richard Baden – Appointed Governor
- Mrs Prue Bray – Appointed Governor
- Mr Peter Christmas – Appointed Governor
- Mrs Karyn Close – Elected Parent Governor
- Mrs Clare Davis – Elected Staff Governor
- Mr James Eaglesham – Elected Staff Governor
- Mrs Mary Keenan – Elected Parent Governor
- Mrs Vanessa Lobato – Elected Parent Governor
- Mrs Alison Lovland – Appointed Governor
- Mrs Anna McMenamin – Appointed Governor/Associate Member
- Mr Ben Roberts – Elected Staff Governor
- Mr Richard Sedgwick – Appointed Governor

Policies and procedures adopted for the induction and training of Governors

All new governors participate in an induction program issued with a range of information and guidance relevant to the role. There is a “mentor” system in place to support governors over their first year.

Organisational structure

The Forest School has a structure of a Governing (Trustees) Body and a Senior Leadership Team led by the Headteacher.

The governors are responsible for appointing the Headteacher, for strategic direction, establishing general policy and for adopting an annual school budget.

The governing body meet at least 6 times a year. It establishes an overall framework for governance of the Academy Trust, formulates a structure of committees and task groups, as well as statutory panels. Monitoring of committee activities is through the minutes of the meetings. It also establishes Terms of Reference for Committees. Working groups are set up from time to time to address specific time bound issues.

The following decisions are reserved for the governing body:

1. To determine proposals for the closure or change of category of the Academy Trust.
2. To amend the constitution.
3. To appoint or remove, the Chair and/or Vice Chair.
4. To appoint the Clerk to the Governors.
5. To appoint the Secretary to the Academy Trust.
6. To suspend governors.
7. To delegate specific responsibilities to any governor, Committee, the Headteacher or other specific postholder.
8. To determine and annually review terms of reference, constitution and membership of committees.
9. To publish an annual report.

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10. To make arrangements for staff dismissal appeals.
11. To appoint the Headteacher.
12. To approve the School Development Plan.
13. To monitor the annual Register of Interests of governors.

There are seven governor committees:

- Admissions Committee – deals with all matters relating to student admissions, including in year admissions, appeals and Sixth Form admissions. See terms of reference for further detail.
- Appeals Committee – deals with all matters considering any appeal against a decision to dismiss a member of staff made by the Staff Disciplinary Committee. See terms of reference for further detail.
- Finance & Audit Committee – overseeing the management of annual budgets and ensuring financial compliance with the Academies Financial Handbook as issued by the ESFA. Please see terms of reference for further details.
- Headteacher's Performance Review Group – deals with all matters of performance management of the Headteacher with the assistance of an External Adviser. See terms of reference for further detail.
- Pay Committee – deals with all matters determining the salary of each member of staff at the school (with the exception of the Headteacher's salary), taking into account recommendations made by the Headteacher. See terms of reference for further detail.
- Staff Disciplinary Committee – deals with all matters relating to the dismissal of staff (unless delegated to the Headteacher). See terms of reference for further detail.
- Student Disciplinary Committee – deals with all matters relating to the reinstatement of an excluded student within 15 school days of receiving notice of the exclusion. See terms of reference for further detail.

The Headteacher is the Accounting Officer, as required by the Funding Agreement with the DfE. The responsibilities of the Accounting Officer are defined in the Governance Statement on page 14..

Pay policy for key management personnel

The Forest Academy Trust follows the 'Joint Advice on School Teachers Pay' as directed by the STPCD for the teacher members of senior Leadership Team, following the Leadership Group Pay Range. Payscales set out by the Local Authority, following union advice, are used for any support staff on the Senior Leadership Team. All members of the Senior Leadership Team have a yearly job evaluation and performance management review to determine their scale of pay.

Connected organisations, including related party relationships

The Forest School is a member of The Wokingham Secondary Federation, a "soft" partnership of seven 11-18 secondary schools, two special schools and a Student Referral Unit. The principle areas of impact lie in: leadership; collaboration and development; curriculum development; continuous professional development; careers advice and guidance; subject networks and school based teacher training. The Headteacher also attends the Primary Cluster and Primary Headteacher meetings, and is an active member of the Local Safeguarding Children Board (LSCB) and Berkshire West Safeguarding Children Partnership (BWSCP), representing the Federation and any local issues.

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The Forest School is also a member of the Federation and Wellington College Teaching Partnerships which serves to develop teacher training as well as a range of teaching and learning initiatives.

The aspiration of the school to deliver an outstanding curriculum is significantly benefitted through collaboration with diverse external organisations. These include Bracknell & Wokingham College, Foundry College and some businesses.

Careers advice and guidance is supported by our externally qualified Careers Leader, our local careers support adviser and the Study Higher Programme. The Central Berkshire Education Business Partnership helped deliver placements for our year 12 students.

The Forest School's active participation in the LA/Federation's Behaviour Support Safeguarding Group service and re integration panel supports its ethos that all must be enabled to make progress.

We have active links with the University of Reading, especially relating to teacher training, but also in the relation to STEM provision. We have also forged links with Oxford University and Weydon Trust to ensure we are an active training partner and fulfil our school staffing with high quality teachers.

We also have a significant partnership with Reading Football Club. We are the chosen school to educate their 14 to 16 year old Academy players, a total of 24.

Risk management

The governing body have implemented a number of systems to assess risk. This has included the control of finance, but also has addressed diverse dimensions including teaching, academic standards, health & safety, school trips, reputation and student welfare. The Forest Academy Trust has an effective system of internal financial control and this is explained below.

The key controls used by the Academy Trust to actively manage risk are:

- Formal agendas for governor meetings.
- Terms of reference for committees.
- A school development plan with clear objectives.
- Robust self-evaluation of progress towards objectives.
- Comprehensive budget planning, review and monitoring and evaluation.
- Clear financial delegation.
- Formal written policies reviewed on either an annual or biennial basis or more regularly with Covid 19.
- Clear safeguarding and vetting processes as required by law to protect children and young people.
- Rigorous tracking of student progress and clear, prompt intervention to impact on student learning.
- Comprehensive planning and review of admissions processes.
- Use of external bodies such as auditors and the EVOLVE educational visits system to advise and inform
- Performance management for all staff

The governing body is therefore satisfied that major risks have been adequately mitigated where necessary. It is however recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objectives and activities

The Academy's objectives are specifically restricted to the following:

- To advance 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 and offer a broad and balanced curriculum.

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- To promote for the benefit of the inhabitants of Wokingham and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants.

The principle aim of the Academy Trust is to provide high quality learning opportunities that enable all young people to fulfil their intellectual potential, as well as developing into responsible, caring and well balanced young people. We develop "the whole child" through all aspects of life and drive everything through our ASPIRE ethos.

We aim "to prepare learners for life", the School has annual School Development Plans, as well as a 3 year strategy, led by the governing body.

High quality learning and development

- To develop greater independence in our learners, through more effective differentiation, more student led classroom activities and the setting of extended homework tasks.
- To strengthen the quality and variety of feedback to learners, using focused and specific comments which allow each student to make continued progress and reach his/her full potential.
- To continue to drive the planning and delivery of lessons, so that teachers and students can take more calculated risks in the classroom, to provide maximum enjoyment, involvement and fun, and thus a conducive learning environment. We have implemented many new monitoring systems to assist in this and evaluate impact.
- Student's ambition, progress and success are epitomised through stretching targets using FFT 20 at key stage 4, ALPS targets at key stage 5, helping to secure a positive Progress 8 score and above boys' national average at GCSE and the vast majority of KS5 subjects at ALPS Red.
- To be in line with National in making progress in 'diminishing the difference', through improved student tracking, targeted and timely intervention and evaluation, and a focused discussion that brings together both academic and pastoral perspectives to benefit the individual. To be inclusive and teach to the top supporting all students

High quality leadership and management

- To continue to drive the curriculum offering relevant and engaging programmes of study to all students across the key stages and a breadth of extracurricular activities that help develop student's spiritual, moral, social, cultural and economic wellbeing for their future success.
- To further develop Continuous Professional Development, so that the training needs of all staff, both as a collective and as individuals, can be effectively met, so that staff are both equipped and empowered to meet the needs of the students. This will include the development of middle leaders, so that staff can both support and learn from each other, and the sharing of best practice can be a real strength.
- To further develop external links and partnership in all school aspects with The Wokingham Secondary School Federation which includes Schools Direct, and embracing PixL.
- To develop the practice of subject and pastoral leaders, and specifically in the evaluation of the effectiveness of teaching and the tracking of academic progress, through a sharper focus on the pastoral responsibilities of curriculum staff and the curriculum responsibilities of pastoral staff.
- Governors and senior leaders appreciate the responsibilities and opportunities available as an Academy Trust and seize opportunities to strengthen and improve the quality of educational provision and prioritise the need to secure value for money.
- That governors, leaders and managers all ensure that there is robust compliance with all financial accountability arrangements so that the Academy Trust's finances are managed in a transparent and effective way.

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- Governors to more robustly and consistently perform role, engaging directly with student and parent views where relevant and be conversant with standards and issues in the link role.

High standards of behaviour

- To continue to further develop behaviour for learning in classrooms, by raising staff and student expectations of behaviour both in and out of school and a relentless drive across the school to ensure our current high standards and expectations are adhered to by all. Behaviour for learning is supported through teaching to the top of a wide curriculum balance and a consistent approach by leaders.

A caring and safe environment

- To strive to continually develop and build upon a safe environment for learners, where bullying is not tolerated and where pastoral care is outstanding. Track all bullying and develop links with the council.

And finally:

- Whilst focusing on the above, we must ensure we achieve excellence in all aspects and a sense of pride in our practices as they currently exist, developing "ASPIRE"ing students, the BEST ME (6th form) and to be rather than seem to be (whole school).

Public benefit

The Governing Body confirm compliance with their duty in Section 17(5) of the Charities Act 2011, and in particular to pay due regard to guidance issued by the Charity Commission on public benefit guidance on advancing education. The Academy Trust provides education to children and young people that is:

- Broad and balanced.
- Promotes spiritual, moral, cultural, mental and physical development of children and young people.
- Prepares children and young people for the opportunities, responsibilities and experiences of later life.
- Promotes, sustains and increases individual and collective knowledge and understanding of specific subjects, skills and experiences.

The Academy Trust is an 11-18 boys' comprehensive school that admits girls to its Sixth Form. It draws from across Wokingham Borough, as well as Bracknell and Reading. It has a fully mixed ability intake at Sixth Form. It employs Wokingham Borough Council to manage admissions at transfer – further details are available on our website.

Achievements and performance

The Forest School Academy Trust rose to the challenge that Covid 19 brought. Due to the forward planning of the school and the installation of wifi, Google Classroom and Chromebooks and increased online home learning with GCSEpod, Ezyeducation, myMaths etc. in the past 3 years the students and families were ahead of the curve and it became a smooth transition to learning from day 1 of lockdown. This quickly progressed to teachers sharing their already planned lesson presentations and then live learning with Zoom lessons. All groups of children were contacted daily and the school remained open throughout lockdown to all key worker and vulnerable children. The school built stronger relationships with the local authority and other agencies.

As can be seen in this report, the school grasped the opportunity to upgrade the site in many areas and have successfully brought in over £1million in grants in addition to the 3G football dome which was signed off by the Secretary of State.

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The Trust Members are incredibly proud of the academic, financial and daily running of the school at a time when education and progression of businesses stopped for many. The Forest took hold of ASPIRE in every aspect.

Strategic report

Key performance indicators

GCSE

GCSE results through teacher assessed grades demonstrated another year where attainment was in line with the national average for all and above the national average for boys: 26.27% of entries achieved a grade 7 or above against the national average of 27.12% and national boys of 23.37%. The picture was repeated at grade 4 with 84.77% achieving this benchmark against a national average of 77.1% and male 73.6%. Our pass rate (grade 1 or better) was 100% compared to national results of 99% and 98.7% respectively.

The individual core subjects outperformed the national boys' picture by an average of 14.6 percentage points per subject at 9 – 4 and 18.65 percentage points at grades 9 – 7. Individual sciences recorded a 100% pass rate at grades 9 - 5.

Overall in the 9 – 7 category 13 out of 22 subjects achieved better than the national or national male average and in the 9 – 4 category 14 out of 22 subjects achieved better than the national or national male average. We must be aware that these were teacher assessed grades.

Post 16

A level results, through teacher assessed grades, increased by 17 % points from 2020 at 67% of entries reaching A*-B grades. Our value added measure was categorised as Grade 1 – the highest available. 40% of students achieved 3 A levels all at A* - B grades.

Approximately 70% of the cohort entered university this year with an increasing number of students gaining apprenticeships. Early indications are we have no NEET students although 2 intend to sit their examinations again in 2022 despite being offered university places this year.

Vocational subjects produced higher pass rates but are still adjusting to the exam based components of the new specifications.

Other achievements

School site and buildings

- Completion of the English block refurbishment and heating upgrade projects following successful CIF bids totalling £1,025,961.
- Completion of Fire Safety upgrades following a successful CIF bid totalling £497,811
- Refurbishment of the Y8 toilet block
- Refurbishment of the Sports hall changing rooms

Students

The staff and children of the Forest School remain highly supportive of Awareness Weeks and celebrate or mark the occasion through staff awareness and that of our students through assemblies and into the wider curriculum. Though Covid resulted in the temporary suspension of many external enrichment opportunities, the school is

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now returning to a rich provision of enrichment and engagement opportunities for our students. This is aimed at supporting the learning and enrichment experiences of our students through educational trips and visits and by welcoming guest speakers to our school wherever possible. These events range from residential to day trips, overseas to UK based cultural to adventurous activities. They provide exceptional lifelong learning opportunities along with team building and the development of life skills. After student surveys, I am delighted to announce the re-installment of end of year enrichment trips for all years and not just year 7. Memories from these trips can last a lifetime.

Developing student leaders and leadership opportunities is an important focus for the school as we seek to help our students to become well rounded individuals and promote Personal Development. These opportunities begin early at the Forest with our "Young Ambassadors." The "Sports Leaders" programme begins in Year 8 and runs right through their school life. The school runs a great number of primary school events through our SSCO and these events are ideal opportunities for our youngsters to develop their leadership skills and take some of the responsibility for the welfare and safety of the visiting students from year 5 and 6. Our Reading Buddies and Numeracy scheme, where 6th Formers listen to Year 7 and 8 students reading and numeracy and support Maths. This programme is fundamental to helping those in need of additional support for their reading allowing greater access to their curriculum. Students are often more influenced by other students. The benefits of the programme is twofold with the Sixth Formers getting just as much as our younger students.

The "Safe Schools Leaders" is a source of pride within the school and rightfully recognised as such by the OFSTED inspectors during our last inspection. These young men provided tremendous support through the transition process and worked alongside tutors to help settle the new pupils into school life. It is a sign of their commitment that they willingly give up every break and lunch time to man the support desk for those who need it. A 'Democracy Day' for the year 7 Hustings was exceptionally successful. Students made speeches in front of their peers, the senior student leadership Team, SLT and one of our Governors who is a serving councillor in local parliament. A democratic vote with an explanation of the democratic process by our Governor helped to bring to life British Values for the school community.

The School Council were involved in a great deal of student led activities this year and provided valuable 'student voice' to help the school monitor and plan its processes that help to make the school what it is. The Federation schools 'Student Voice' initiative has been supported by the school with two active Forest students as Youth MPs. This included meetings at the Town Hall with the Mayor and other Civic dignitaries and being part of different projects and groups, e.g. planning though virtual meetings have had to be utilised recently.

The school has just elected year 11 Prefects based on their letters of application and sponsorship from a member of teaching or support staff. These students have elected to support specific departments, staff and students. They have also enlisted in a lower school extra-curricular club to support however possible. It has been rewarding to see the benefits and effects of 1 2 1 mentoring led by the Prefects and to see the collegiate experience between younger and more wisened older students.

Sports achievements

The Covid-19 pandemic curtailed the school year and as a result no inter-school fixtures were possible until the summer term when athletics events were attended. Lots of our sports delivery was completed online and as a result, examination PE was introduced to the pupils in Key stage 3. Our extensive fixture card which normally sees the teams compete well versus local state schools and private schools was put on hold.

The year 8 athletics team reached the county team final but unfortunately were unable to compete due to a Covid outbreak within the year group.

We have continued to put a strong emphasis on our thriving house sport programme with a clear sport for all policy. Every pupil in years 7-10 takes part in house events with equal weighting on an A team and a B team. House sporting events are highlights of the sporting year and are supported by all pupils and staff. Tutors have a role in organising teams and sixth form pupils are entrusted with coaching and organising the tournaments.

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The PE department has strong links with local clubs. The Reading FC partnership sees the club's academy scholars from the age of 14 educated at the Forest. The Rams Rugby Partnership is developing and is a 6th form pathway that promotes state school rugby and academic excellence. Rams coaches plan and deliver coaching sessions to year 11/12/13 boys and have coached key stage 3 pupils with a view developing high level skills throughout the school.

The department's extra-curricular programme in a normal year would see approximately 400 fixtures played across 7 sports. Our teams are successful on the local and national circuit entering Elite National competitions. On average 45% of pupils will represent the school. Pupils receive an additional 2 hours on average of sporting instruction.

The primary links programme was postponed for the whole academic year due to the Covid-19 pandemic. Our outreach work continued during the Easter holidays as we hosted a talent ID programme for local Year 5 pupils. The programme used elite level coaches to deliver a variety of sports to targeted pupils.

Going concern

After making appropriate enquiries, the Governing Body believes the Academy has sufficient funds to meet its current obligations and has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Governors are optimistic that negotiations with the ESFA will ensure that their funding, and timing of funding, will ensure that the schools' liabilities will be settled as and when they fall due. The Governors are also mindful that the Local Government Pension Scheme liability included within the financial statements is a technical requirement and not an amount that has been requested for payment. Future pension payments will be budgeted for and paid using future ESFA funding. 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.

Key financial performance indicators and financial review

During the year The Forest School Academy Trust received income £4,330,038 in respect of funding for the Academy's educational operations and £1,220,325 of capital grants to put towards capital projects.

The Forest School Academy Trust generated its own funds for unrestricted use through the letting and 6th form catering. Income for this totalled £85,542.

In addition, £341 was received in respect of bank interest.

The total income therefore, amounts to £5,669,002. Expenditure amounted to £5,715,558 in respect of operating the Academy Trust.

Financial position

The Forest School Academy Trust held fund balances at 31 August 2021 of £10,999,964 comprising a deficit £2,197,152 of restricted general funds due mainly to a shortfall in the national pension fund, a surplus of £12,194,226 of restricted fixed asset funds, and a surplus of £1,002,890 of unrestricted funds (the last of which represents the level of free reserves held by Forest).

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Financial review

Reserves policy

The Governors review the reserve levels of the Academy Trust annually. The Governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services, to maintain and enhance the school's premises and infrastructure and to fund future projects. The Governors intend to review the reserves policy annually to ensure that this aim can be achieved. The governors aspire to build reserves equating to one term of operating costs based on current expenditure.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2021 is £1,939,738. A new staffing structure was put in place, effective from 1 September 2016, with an aim to build on this reserve. However due to pressure on education funding the academy will rely heavily on the new funding formula to be able to build any reserves.

In respect of any surplus or deficit recognised in relation to the Academy's share of the Local Government Pension Scheme, this would generally result in a cash flow effect for the Academy in the form of an increase or decrease in employer's pension contributions over a number of years. This year a deficit of £542,000 has been recognised in the accounts; this does not represent an immediately realisable liability that requires payment.

Investments policy

The Forest School Academy Trust has an investment policy whose aim is the security of financial deposits and adequate liquidity to meet its ongoing financial obligations. The Academy seeks to maximise its investment income subject to ensuring funds are only invested with financial institutions who have an investment grade rating (BBB+ or higher) and are authorised to conduct financial business in the UK by the Prudent Regulation Authority.

Principal risks and uncertainties

The principle risks and uncertainties faced by The Forest School Academy Trust are Financial, Health and Safety, Reputational and Safeguarding.

- The financial risk of the misappropriation of funds (fraud). This is managed through having an effective system of internal controls with appropriate segregation of duties.
- The Trust has considerable reliance on continued Government funding through the ESFA. This is managed by effective budgetary controls to ensure funding is used appropriately.
- Health and Safety risks are managed by regular H&S audits and guidance by an external H&S advisor in cooperation with our dedicated H&S governor.
- The continuing success of the Trust is reliant on the quality of its staff. The Trustees monitor and review policies and procedures to ensure continued development and training of staff.
- The Trust has comprehensive safeguarding and vetting processes as required by law to protect children and young people.

Fundraising

All fundraising activities for the school are carried out by the staff with assistance from the parents and pupils in the running of specific fundraising events. The school does not use professional fundraisers. All fundraising activities are managed by the SLT and are monitored by the Headteacher and Finance Manager, with overall oversight by the members of the governing body.

No complaints relating to fundraising activities have been received by the academy during this financial period. However, the academy has in place procedures that would be followed in the event of a complaint being

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FOR THE YEAR ENDED 31 AUGUST 2021

received with the initial response being the responsibility of the Finance Manager. Any continuing issues would then be passed Headteacher and then to the governing body to determine what further action might be required.

The school does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities. In particular, the school considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

Future developments

We achieved Ofsted 'good' in July 2021 through strong leadership and management and inspiring teaching and learning. Our future priority is to continue with this focus on our journey to 'outstanding':

- continuing to offer a varied curriculum that prepares the holistic child for the next stage of life
- ensuring that no student is disadvantaged academically
- offering inspiring teaching and learning
- achieving strong leadership and management
- achieving financial stability and build a reserve
- having a fit for purpose infrastructure so that no child is held back by the facilities

Disclosure of information to auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors have taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, has indicated its willingness to continue in office. The Designated Governors will propose a motion re-appointing the auditor at a meeting of the Governors.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 9 December 2021 and signed on its behalf by:



Alison Lovland
Chair of Trustees



Shirley Austin
Accounting Officer

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' 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:

Governor	Meetings attended	Out of a possible
Mrs Sonja Allen, Elected Staff Governor	0	2
David Auger, Appointed Governor	4	6
Shirley Austin, Head Teacher	6	6
Richard Baden, Appointed Governor	0	2
Prue Bray, Appointed Governor	3	6
Peter Christmas, Appointed Governor,	1	2
Appointed Governor		
Karyn Close, Elected Parent Governor	5	6
Clare Davis, Elected Staff Governor, Elected	1	2
Staff Governor		
James Eaglesham, Elected Staff Governor	3	5
Mary Keenan, Elected Parent Governor	6	6
Vanessa Lobato, Elected Parent Governor,	1	2
Elected Parent Governor		
Alison Lovland, Vice Chair, Parent Governor	5	6
Anna McMenamin, Chair	6	6
Ben Roberts, Appointed Governor	5	6
Richard Sedgwick, Appointed Governor	4	6

An external review of governance was conducted in November 2016. There were lots of areas of good practice along with some areas of development and recommendation points. An action plan has been drawn up and its implementation is underway. The Chair of Governors is enrolled on the National Leaders of Governance programme.

THE FOREST SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

1. securing income from many grants and appealing decisions, by viewing every single invoice and ensuring adequate competitive quotes for all areas of work.
2. Negotiations with outside providers to ensure no liability for the school e.g. football dome and indeed income to support the continued improved learning environment and conditions for every stakeholder

Value for money in schools goes beyond the principles of economy, efficiency and effectiveness and develops into the idea that close partnership with those served by the School and the effective use of resources leads to the raising of education standards and continuous improvement.

The principles of best value are:

Challenge – Is The Forest School's Financial Performance effective? Why and how is a service provided? Does The Forest still need the service? Can it be delivered differently?

Compare – How does The Forest School's financial and student performance compare with the performance of other schools?

Consult – How does The Forest School seek the views of stakeholders on school services?

Compete – How does The Forest School seek secure, efficient, effective and quality services? Is The Forest School getting value for money from suppliers?

Best value is a consideration in all purchasing decisions and an integral part of The Forest School's planning cycle. The cycle begins with departmental and school improvement planning which feeds into the budget setting process in the spring and summer terms.

The four principles of best value are applied when making decisions about:

Recruitment, retention and performance of staff

Staff should be deployed to provide best value in terms of quality of teaching, quality of learning, staff student ratio and curriculum management. The timetable process was rigorously reviewed and entwined with budgetary processes and the need for a complete restructuring of the teaching staff was identified. A new structure was developed and implemented in September 2016. The restructure is reviewed annually in line with school numbers.

Deployment of resources, including ICT

Equipment, materials and services are deployed to provide students and staff with resources that support quality of teaching and learning.

Teaching

The quality of curriculum provision and teaching is reviewed to provide students with a curriculum which meets the requirements of the National Curriculum as appropriate. Teaching should build on previous learning and incorporate high expectations of students' achievement. Particular focus is given to rigorously reviewing KS4 &

THE FOREST SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

KS5 provision against changing national directives. Provision is also planned through partnership with external providers.

Learning

The quality of students' learning is reviewed by cohort, class and group, to provide teaching that enables students to achieve nationally expected progress. "Book looks" and observation and evaluation of classroom practice contribute, through formal observations, learning walks and 'drop ins', as do parent and student surveys, in addition to a rigorous line management process.

Procurement

Procedures are in place for assessing need and obtaining goods and services that provide best value in terms of suitability, efficiency, time and cost. Procurement guidelines included in the Financial Handbook are followed to ensure best value. Measures already in place include competitive tendering procedures for goods and services, and procedures for accepting best value quotations and purchasing goods or services from known, reliable suppliers. For longer term contracts, consideration will be given to the ability of the supplier to sustain the supply or service for the duration of the contract.

Students' welfare

The quality of The Forest School environment and ethos is regularly reviewed to provide a supportive environment conducive to learning and recreation. This has seen an increased focus with Covid19.

Health & safety

In order to provide a safe working environment for students, staff and visitors the quality of The Forest Schools' environment and equipment is regularly reviewed, and risk assessments are in place as needed.

Monitoring and evaluation of best value criteria

The following mechanisms are applied in order to secure best value:

- Use of external bodies such as auditors and the EVOLVE educational visits system to advise and inform.
- Performance management, including yearly performance review of the Headteacher by the Governing Body.
- Annual Appraisal and target setting meetings between the Leadership Group and curriculum managers.
- Internal Teaching and Learning evaluation under the internal Self Evaluation Form process.
- Annual Budget Planning.
- Analysis of The Forest School's Student performance data.
- Benchmarking and regular information sharing among Managers of similar schools.
- OFSTED inspection reports.
- Classroom observations under Performance Management.
- Reports to the Governing Body.
- Review by Link Governors responsible for specific aspects of The Forest School.
- Governor committees holding Senior Leadership Team colleagues to account through reporting.

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Forest School Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Richard Sedgwick, a Governor, Responsible Officer (RO) for the new academic year. During 2020/21 the governors undertook two high level reviews of the financial operating procedures.

THE FOREST SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Operations 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
their behalf by:

9th December 2021

and signed on



Alison Lovland
Chair of Trustees



Shirley Austin
Accounting Officer

THE FOREST SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Forest School Academy Trust I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2020.

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



Ms S Austin
Accounting Officer

Date: 9th December 2021

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

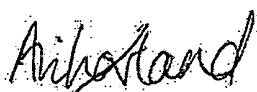
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on
9th December 2021 and signed on its behalf by:



Alison Lovland
(Chair of Trustees)

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
FOREST SCHOOL ACADEMY TRUST**

Opinion

We have audited the financial statements of The Forest School Academy Trust (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Academies Financial Handbook 2021 and the Academies Accounts Direction 2020 to 2021. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing on income recognised in the accounts, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

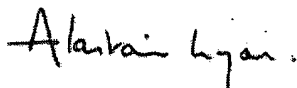
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Use of our report

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



Alastair Lyon (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Aquis House

49-51 Blagrove Street

Reading

Berkshire

RG1 1PL

Date: 14 December 2021

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 21 July 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Forest School Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Forest School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Forest School Academy Trust's funding agreement with the Secretary of State for Education dated 27 June 2013 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

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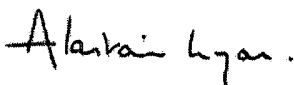
**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE FOREST
SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the Accounting Officer's 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.

Conclusion

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



Alastair Lyon
Crowe U.K. LLP

Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

Date: 14 December 2021

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	660	9,605	1,220,325	1,230,590	445,202
Charitable activities	4	22,491	4,330,038	-	4,352,529	4,798,703
Other trading activities	5	85,542	-	-	85,542	77,895
Investments	6	341	-	-	341	1,271
Total income		109,034	4,339,643	1,220,325	5,669,002	5,323,071
Expenditure on:						
Charitable activities	7	21,886	4,314,206	1,379,466	5,715,558	4,713,024
Total expenditure		21,886	4,314,206	1,379,466	5,715,558	4,713,024
Net income/(expenditure)		87,148	25,437	(159,141)	(46,556)	610,047
Transfers between funds	17	-	(74,485)	74,485	-	-
Net movement in funds before other recognised gains/(losses)		87,148	(49,048)	(84,656)	(46,556)	610,047
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(542,000)	-	(542,000)	(217,000)
Net movement in funds		87,148	(591,048)	(84,656)	(588,556)	393,047
Reconciliation of funds:						
Total funds brought forward		915,742	(1,606,104)	12,278,882	11,588,520	11,195,473
Total funds carried forward		1,002,890	(2,197,152)	12,194,226	10,999,964	11,588,520

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08563159

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible Fixed Assets	13	11,803,362	11,934,517
Current assets			
Debtors	14	941,494	490,974
Cash at bank and in hand		2,228,837	2,046,902
		<u>3,170,331</u>	<u>2,537,876</u>
Creditors: amounts falling due within one year	15	(766,558)	(381,409)
Net current assets		<u>2,403,773</u>	<u>2,156,467</u>
Total assets less current liabilities		<u>14,207,135</u>	<u>14,090,984</u>
Creditors: amounts falling due after more than one year	16	(73,171)	(91,464)
Net assets excluding pension liability		<u>14,133,964</u>	<u>13,999,520</u>
Defined benefit pension scheme liability	25	(3,134,000)	(2,411,000)
Total net assets		<u><u>10,999,964</u></u>	<u><u>11,588,520</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	12,194,226	12,278,882
Restricted income funds	17	936,848	804,896
		<u>13,131,074</u>	<u>13,083,778</u>
Restricted funds excluding pension asset	17	13,131,074	13,083,778
Pension reserve	17	(3,134,000)	(2,411,000)
Total restricted funds	17	<u>9,997,074</u>	<u>10,672,778</u>
Unrestricted income funds	17	<u>1,002,890</u>	<u>915,742</u>
Total funds		<u><u>10,999,964</u></u>	<u><u>11,588,520</u></u>

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08563159

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 27 to 59 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Alison Lovland
(Chair of Trustees)

Date: 9th December 2021

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(921,960)	211,594
Cash flows from investing activities	21	1,105,263	320,595
Cash flows from financing activities	20	(1,368)	(1,734)
Change in cash and cash equivalents in the year		181,935	530,455
Cash and cash equivalents at the beginning of the year		2,046,902	1,516,447
Cash and cash equivalents at the end of the year	22, 23	<u>2,228,837</u>	<u>2,046,902</u>

The notes on pages 31 to 59 form part of these financial statements

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Forest School Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Charity information

The principle activity of The Forest School Academy Trust is to provide secondary education for pupils aged 11 to 18. The Trust is an exempt charity and a company limited by guarantee (company number 08563159). It is incorporated and domiciled in the UK. The address of the registered office is The Forest School, Robinhood Lane, Winnersh, RG41 5NE.

1.3 Going concern

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

1.4 Income

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

• **Grants**

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

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

THE FOREST SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Income (continued)

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

- **Donations**

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

- **Other income**

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

1.5 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Taxation

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

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

THE FOREST SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 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, as follows:

Depreciation is provided on the following bases:

Freehold property	- 2%
Furniture and equipment	- 20%
Computer equipment	- 33%
Motor vehicles	- 20%
Temporary buildings	- 10%

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.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.11 Provisions

Provisions are recognised when the Academy 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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. 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.

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Agency arrangements

The academy trust acts as an agent in receiving funds from parents, and subsequently distributing these to the suppliers of school trips. Payments received from parents and disbursements to suppliers are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 29.

1.16 Fund accounting

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

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

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

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

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 25, 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.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	660	9,605	-	10,265
Grants	-	-	1,220,325	1,220,325
Total 2021	660	9,605	1,220,325	1,230,590

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	15,513	5,360	-	20,873
Grants	-	-	424,329	424,329
Total 2020	15,513	5,360	424,329	445,202

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021.**

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
General Annual Grant	-	3,763,299	3,763,299
Other DfE/ESFA grants			
Other DFE/EFA Grants	-	314,702	314,702
School trip income	-	2,473	2,473
Other income	22,491	104,207	126,698
	<u>22,491</u>	<u>4,184,681</u>	<u>4,207,172</u>
Other Government grants			
Special Educational projects	-	78,917	78,917
	<u>-</u>	<u>78,917</u>	<u>78,917</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	39,040	39,040
ESFA Funding	-	27,400	27,400
	<u>-</u>	<u>66,440</u>	<u>66,440</u>
Total 2021	<u>22,491</u>	<u>4,330,038</u>	<u>4,352,529</u>

The academy received £39,040 of funding for catch up premium and costs incurred in respect of this funding totalled £39,040.

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

4. Funding for the Academy Trust's educational operations (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
General Annual Grant	-	4,262,117	4,262,117
Other DfE/ESFA grants			
Other DFE/EFA Grants	-	347,343	347,343
School trip income	-	29,427	29,427
Other Income	8,218	95,131	103,349
	<u>8,218</u>	<u>4,734,018</u>	<u>4,742,236</u>
Other Government grants			
Special Educational projects	-	56,467	56,467
	<u>-</u>	<u>56,467</u>	<u>56,467</u>
<i>Total 2020</i>	<u><u>8,218</u></u>	<u><u>4,790,485</u></u>	<u><u>4,798,703</u></u>

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Rental Income	59,872	59,872
Other Income	25,670	25,670
Total 2021	85,542	85,542
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Rental Income	55,258	55,258
Other Income	22,637	22,637
<i>Total 2020</i>	<i>77,895</i>	<i>77,895</i>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Short term deposits	341	341
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Short term deposits	1,271	1,271

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Funding for the Academy Trust's educational operations:				
Direct costs	3,023,671	246,558	237,957	3,508,186
Allocated support costs	532,826	1,431,189	243,357	2,207,372
Total 2021	3,556,497	1,677,747	481,314	5,715,558
	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Funding for the Academy Trust's educational operations:				
Direct costs	3,091,576	247,266	309,369	3,648,211
Allocated support costs	492,826	328,429	243,558	1,064,813
Total 2020	3,584,402	575,695	552,927	4,713,024

The method used for the apportionment of support costs is disclosed in the accounting policies (note 1).

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Funding for the Academy Trust's educational operations	3,508,186	2,207,372	5,715,558

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Funding for the Academy Trust's educational operations	3,648,211	1,064,813	4,713,024

Analysis of direct costs

	Funding for the Academy Trust's educational operations 2021 £	Total funds 2021 £
Staff costs	3,023,671	3,023,671
Depreciation	246,558	246,558
Educational supplies	40,184	40,184
Examination fees	61,059	61,059
Staff development	8,445	8,445
Technology costs	12,696	12,696
Other direct costs	115,573	115,573
Total 2021	3,508,186	3,508,186

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Funding for the Academy Trust's educational operations 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	3,091,576	3,091,576
Depreciation	247,266	247,266
Educational supplies	33,578	33,578
Examination fees	90,520	90,520
Staff development	12,948	12,948
Technology costs	14,353	14,353
Other direct costs	157,970	157,970
<i>Total 2020</i>	<u>3,648,211</u>	<u>3,648,211</u>

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Funding for the Academy Trust's educational operations 2021 £	Total funds 2021 £
Support staff costs	532,826	532,826
Technology costs	95,444	95,444
Recruitment and support	3,254	3,254
Maintenance of premises and equipment	1,146,362	1,146,362
Cleaning	113,901	113,901
Rent & rates	43,520	43,520
Insurance	14,687	14,687
Energy costs	89,188	89,188
Governance costs	46,711	46,711
Security and transport	1,266	1,266
Catering	29,449	29,449
Bank interest and charges	1,368	1,368
Other support costs	89,396	89,396
Total 2021	2,207,372	2,207,372

THE FOREST SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Funding for the Academy Trust's educational operations 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	492,826	492,826
Technology costs	79,303	79,303
Recruitment and support	11,672	11,672
Maintenance of premises and equipment	88,305	88,305
Cleaning	101,803	101,803
Rent & rates	43,180	43,180
Insurance	17,480	17,480
Energy costs	83,394	83,394
Governance costs	61,238	61,238
Security and transport	602	602
Catering	26,471	26,471
Bank interest and charges	1,734	1,734
Other support costs	56,805	56,805
Total 2020	1,064,813	1,064,813

Included within support costs are governance costs of £12,700 (2020: £12,300).

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	5,067	24,040
Depreciation of tangible fixed assets	246,558	247,266
Fees paid to auditor for:		
- audit	12,700	12,300
- other services	1,160	3,085

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,590,239	2,636,414
Social security costs	261,044	261,407
Pension costs	705,214	686,581
	<u>3,556,497</u>	<u>3,584,402</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff costs there are no (2020: 1) non-statutory/non-contractual severance payments totalling £Nil (2020: £6,450).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	49	52
Administration and support	34	35
	<u>83</u>	<u>87</u>

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

10. Staff (continued)

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2021, pension contributions for these members of staff amounted to £69,807 (2020: £52,796).

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £557,268 (2020 £481,967).

11. Trustees' remuneration and expenses

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

		2021 £	2020 £
J Eaglesham, Staff Governor	Remuneration	45,000 - 50,000	50,000 - 55,000
	Pension contributions paid	5,000 - 10,000	10,000 - 15,000
B Roberts, Staff Governor	Remuneration	-	45,000 - 50,000
	Pension contributions paid	-	10,000 - 15,000
S Austin, Headteacher	Remuneration	105,000 - 110,000	85,000 - 90,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
Mrs Sonja Allen, Staff Governor	Remuneration	15,000 - 20,000	-
	Pension contributions paid	0 - 5,000	-
Mrs Clare Davis	Remuneration	5,000 - 10,000	-
	Pension contributions paid	0 - 5,000	-

During the year ended 31 August 2021, travel and subsistence expenses reimbursed to the Head Teacher were £Nil (2020: £141).

During the year ended 31 August 2021, expenses totalling £173 (2020: £727) were reimbursed to 2 Governors (2020: 3).

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

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £245 (2020 - £245). The cost of this insurance is included in the total insurance cost.

From 1 July 2016 the academy trust had opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK Government funds cover the losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors, or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustee's and officer's indemnity element from the overall cost of the RPA scheme.

The cost of insurance is included in total insurance costs within the financial statements.

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	13,017,114	209,457	313,936	14,500	13,555,007
Additions	50,000	32,170	33,233	-	115,403
At 31 August 2021	13,067,114	241,627	347,169	14,500	13,670,410
Depreciation					
At 1 September 2020	1,218,140	154,458	247,892	-	1,620,490
Charge for the year	186,069	19,557	38,032	2,900	246,558
At 31 August 2021	1,404,209	174,015	285,924	2,900	1,867,048
Net book value					
At 31 August 2021	11,662,905	67,612	61,245	11,600	11,803,362
At 31 August 2020	11,798,974	54,999	66,044	14,500	11,934,517

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FOR THE YEAR ENDED 31 AUGUST 2021**

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	4,317	12,222
Other debtors	215,667	40,885
Prepayments and accrued income	721,510	437,867
	<u>941,494</u>	<u>490,974</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	18,293	18,293
Trade creditors	114,494	84,893
Other taxation and social security	66,375	64,200
Other creditors	85,102	88,697
Accruals and deferred income	482,294	125,326
	<u>766,558</u>	<u>381,409</u>

	2021 £	2020 £
Deferred income at 1 September 2020	25,388	24,990
Resources deferred during the year	25,387	25,388
Amounts released from deferred income	(25,388)	(24,990)
	<u>25,387</u>	<u>25,388</u>

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	<u>73,171</u>	<u>91,464</u>

A loan of £146,343 was taken out in October 2017 from Salix Finance Limited. No interest is charged on the loan. The maturity and repayment schedule is based on a payment plan over 8 years of capital.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	915,742	109,034	(21,886)	-	-	1,002,890
Restricted general funds						
General Annual Grant (GAG)	802,957	3,763,299	(3,554,923)	(74,485)	-	936,848
Other ESFA Grants	1,939	314,702	(316,641)	-	-	-
Special Education Grants	-	78,917	(78,917)	-	-	-
Other income	-	116,285	(116,285)	-	-	-
Covid catch up premium	-	39,040	(39,040)	-	-	-
ESFA funding	-	27,400	(27,400)	-	-	-
Pension reserve	(2,411,000)	-	(181,000)	-	(542,000)	(3,134,000)
	(1,606,104)	4,339,643	(4,314,206)	(74,485)	(542,000)	(2,197,152)
Restricted fixed asset funds						
DfE/ESFA capital grants	344,365	1,179,407	(1,132,908)	-	-	390,864
Other Capital Grants	-	40,918	-	(40,918)	-	-
Fixed assets	11,934,517	-	(246,558)	115,403	-	11,803,362
	12,278,882	1,220,325	(1,379,466)	74,485	-	12,194,226
Total Restricted funds	10,672,778	5,559,968	(5,693,672)	-	(542,000)	9,997,074
Total funds	11,588,520	5,669,002	(5,715,558)	-	(542,000)	10,999,964

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17. Statement of funds (continued)

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

Restricted General Funds - ESFA grants (including GAG), which must be used to meet the cost of running The Forest School Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward.

Restricted Fixed Asset Funds - represents the value of fixed assets used to achieve the School's charitable objectives.

Unrestricted Funds - represents income generated by the school (such as lettings and hire of facilities) and any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Governing Body.

The transfer from General Annual Grant represents funds spent on items of capital nature during the year.

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17. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	835,075	102,897	(22,230)	-	-	915,742
Restricted general funds						
General Annual Grant (GAG)	308,932	4,262,117	(3,743,053)	(25,039)	-	802,957
Other ESFA Grants	7,686	347,343	(353,090)	-	-	1,939
Special Education Grants	-	56,467	(56,467)	-	-	-
Other income	-	129,918	(129,918)	-	-	-
Pension reserve	(2,033,000)	-	(161,000)	-	(217,000)	(2,411,000)
	<u>(1,716,382)</u>	<u>4,795,845</u>	<u>(4,443,528)</u>	<u>(25,039)</u>	<u>(217,000)</u>	<u>(1,606,104)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	12,076,780	-	(247,266)	105,003	-	11,934,517
DfE/ESFA capital grants	-	424,329	-	(79,964)	-	344,365
	<u>12,076,780</u>	<u>424,329</u>	<u>(247,266)</u>	<u>25,039</u>	<u>-</u>	<u>12,278,882</u>
Total Restricted funds	<u>10,360,398</u>	<u>5,220,174</u>	<u>(4,690,794)</u>	<u>-</u>	<u>(217,000)</u>	<u>10,672,778</u>
Total funds	<u>11,195,473</u>	<u>5,323,071</u>	<u>(4,713,024)</u>	<u>-</u>	<u>(217,000)</u>	<u>11,588,520</u>

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	11,803,362	11,803,362
Current assets	1,002,890	1,776,577	390,864	3,170,331
Creditors due within one year	-	(766,558)	-	(766,558)
Creditors due in more than one year	-	(73,171)	-	(73,171)
Pension reserve	-	(3,134,000)	-	(3,134,000)
Total	1,002,890	(2,197,152)	12,194,226	10,999,964

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	11,934,517	11,934,517
Current assets	915,742	1,277,769	344,365	2,537,876
Creditors due within one year	-	(381,409)	-	(381,409)
Creditors due in more than one year	-	(91,464)	-	(91,464)
Pension reserve	-	(2,411,000)	-	(2,411,000)
Total	915,742	(1,606,104)	12,278,882	11,588,520

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

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(46,556)	610,047
Adjustments for:		
Depreciation	246,558	247,268
Capital grants from DfE and other capital income	(1,220,325)	(424,329)
Interest received	(341)	(1,271)
Interest paid	1,368	1,734
Defined benefit pension scheme cost less contributions payable	143,000	123,000
Defined benefit pension scheme finance cost	38,000	38,000
Increase in debtors	(450,520)	(219,773)
Increase/(decrease) in creditors	366,856	(163,082)
Net cash (used in)/provided by operating activities	(921,960)	211,594

20. Cash flows from financing activities

	2021 £	2020 £
Interest paid	(1,368)	(1,734)
Net cash used in financing activities	(1,368)	(1,734)

21. Cash flows from investing activities

	2021 £	2020 £
Bank interest	341	1,271
Purchase of tangible fixed assets	(115,403)	(105,005)
Capital grants	1,220,325	424,329
Net cash provided by investing activities	1,105,263	320,595

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,228,837	2,046,902
Total cash and cash equivalents	2,228,837	2,046,902

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,046,902	181,935	2,228,837
Debt due within 1 year	(18,293)	-	(18,293)
Debt due after 1 year	(91,464)	18,293	(73,171)
	1,937,145	200,228	2,137,373

24. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	29,300	39,000

25. Pension commitments

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

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

Contributions amounting to £55,612 were payable to the schemes at 31 August 2021 (2020 - £53,673) and are included within creditors.

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25. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £465,528 (2020 - £474,505).

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £118,000 (2020 - £127,000), of which employer's contributions totalled £91,000 (2020 - £98,000) and employees' contributions totalled £ 27,000 (2020 - £29,000). The agreed contribution rates for future years are 20.6 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment/inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.5
Females	24.2	24.1
<i>Retiring in 20 years</i>		
Males	23.0	22.9
Females	25.6	25.5

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25. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	929,000	745,000
Other bonds	271,000	167,000
Property	179,000	181,000
Cash and other liquid assets	31,000	121,000
Target return portfolio	66,000	39,000
Commodities	-	5,000
Infrastructure	130,000	93,000
Longevity insurance	(86,000)	(75,000)
Total market value of assets	1,520,000	1,276,000

The actual return on scheme assets was £159,000 (2020 - £59,000).

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

	2021 £	2020 £
Current service cost	(233,000)	(220,000)
Interest cost	(38,000)	(38,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	(272,000)	(259,000)

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

	2021 £	2020 £
At 1 September	3,687,000	3,382,000
Actuarial losses	680,000	33,000
Interest cost	59,000	64,000
Employee contributions	27,000	29,000
Benefits paid	(32,000)	(41,000)
Current service cost	233,000	220,000
At 31 August	4,654,000	3,687,000

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25. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	1,276,000	1,349,000
Employer contributions	91,000	98,000
Actuarial losses	-	(217,000)
Interest income	21,000	26,000
Employee contributions	27,000	29,000
Benefits paid	(32,000)	(41,000)
Return on assets less interest	138,000	33,000
Administration expenses	(1,000)	(1,000)
At 31 August	1,520,000	1,276,000

26. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	1,750	5,067
Later than 1 year and not later than 5 years	-	1,750
	1,750	6,817

27. Members' liability

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

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NOTES TO THE FINANCIAL STATEMENTS
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28. Related party transactions

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

29. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2021 the trust received £4,724 (2020: £7,499) and disbursed £4,117 (2020: £3,289) from the fund. An amount of £4,817 (2020: £4,210) is included in other creditors relating to undistributed funds that are repayable to the ESFA.