

Registration number: 07814065

Selwood Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

SELWOOD ACADEMY
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SELWOOD ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Cardnell, Chair C Bailey-Green E Denne J Gamble D Hooton K Kirkwood R Phillips L Puttock
Trustees (Directors)	M Bailey (resigned 22 July 2021) C Bailey-Green C Cardnell, Chair E Denne J Gamble D Hooton J Hopegood, Head Teacher (resigned 31 December 2020) D Jeffries (appointed 1 January 2021) K Kirkwood R Phillips K Preston (resigned 24 February 2021) L Puttock Rev G Slingo
Senior Management Team	J Hopegood, Head Teacher (resigned 31 December 2020) D Jeffries, Head Teacher (appointed 1 January 2021) A Broad, Deputy Head Teacher A Ellett, Assistant Head Teacher L Steward, Assistant Head Teacher (to 31 August 2021) M Singer, Director of Business & Finance L Cook, SENDCo (from 1 September 2021) F Hughes, SENDCo (from 1 September 2021)
Principal and Registered Office	Berkley Road Frome Somerset BA11 2EF
Company Registration Number	07814065
Auditors	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

SELWOOD ACADEMY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

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

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

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

Members' liability

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

Trustees' indemnities

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

SELWOOD ACADEMY

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

Method of recruitment and appointment or election of Trustees

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

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

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

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

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

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

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy Trust has a Trustee Recruitment and Induction process. The Clerk to Trustees organised and booked training of the Trust Board. The Skills and Knowledge Review was an ongoing exercise throughout the year. This enabled the Trust Board to identify any skill shortages to aid recruitment of new Trustees. The Clerk to Trustees regularly attended Clerks' Briefings where appropriate provided by Somerset County Council and the Clerks' Forum held by the Diocese of Bath and Wells. The Chair of Trustees, or his representative, attended Area Chair's meetings, provided by Somerset County Council and also attended Heads and Chairs Briefings provided by the Diocese of Bath and Wells.

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

Organisational structure

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

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

There are 2 committees as follows:

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

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

Panels

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

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

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

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

SELWOOD ACADEMY

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

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

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

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

The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

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

Connected organisations, including related party relationships

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

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

SELWOOD ACADEMY

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

Objectives and activities

Objects and aims

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

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

The aims of the Academy Trust during the year ended 31 August 2021 are summarised below:

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

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

Objectives, strategies and activities

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

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

Public benefit

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

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

STRATEGIC REPORT

Achievements and performance

The Academy is in its Ninth year of operation and currently has 626 pupils on roll. Over the last year we appointed a new Headteacher. External reviews have highlighted increasing excellent in behaviour and safeguarding as well as curriculum development and provision. Our curriculum model and content has been reviewed and updated and now includes Forest school in year 5 and Mindfulness in year 8.

As restrictions have eased as part of the Pandemic, we have begun to relaunch our extracurricular offer in sports, arts, trips, visits and wider academic opportunities.

Key performance indicators

It is important to note that under the Ofsted framework Middle schools are now judged in terms of progress and attainment on four years of data. The Academy undertakes external GL tests to show performance over time.

However, It is important to note that as a result of the pandemic the school has not undertaken standardised tests nationally or internally on the same scale as previously and therefore, although tracking shows progress from starting points it would be inappropriate to draw hard conclusions from this.

The tables below demonstrate that in the previous years, pupils Standard Age Score is better than the national average in English and Maths by the time pupils leave the school in year 8. The trend based on internal data suggests that had test gone ahead this would have further improved in 2020 and shown positive progress in 2021. Baseline testing will be undertaken as soon as the pupils return to school.

Maths 2019:

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

English 2019:

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

SELWOOD ACADEMY

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

STRATEGIC REPORT

However performance at Key stage 2 remains below the national average and a number of actions are in place in order to ensure that this improves.

Attendance for the Academy remains above the national average at 95.75%

The Academy was inspected by SIAMS in May 2019 and was judged excellent in all aspects of provision. The report states: "The strength of commitment to the vision shapes the strategic and operational direction of the school. Its impact is immediately evident to visitors in pupils' exemplary behaviour and the quality of relationships." The Academy was inspected by OFSTED in May 2017 and was judged to be Good in all areas.

The Academy Trust is committed to investing in the professional development of all staff. Together with teachers striving to become outstanding practitioners, the majority of Teaching Assistants and Support Staff have gained vocational qualifications up to level 3 and HTLA's have led staff development CPD opportunities in their specialist areas. The Trustees have also supported school training for PGCE students and work experience placements. The addition of weekly takeaway CPD, and subscriptions to Educare, provided by the TES has provided statutory accreditation for all staff.

The Academy works closely with the other eight Middle Schools in Somerset and the Frome Learning Partnership to ensure that rigorous monitoring of standards in teaching and learning are maintained. Reports are completed and shared with Trustees. Mrs Pam Blackmore visits the Academy termly to report to the Methodist circuit and Mr Peter Elmy was employed to complete the Head Teachers Performance Management and SEP role and has subsequently been replaced by Mr Brian Hooper OBE, who is a national leader of education and member of the South West Head teacher board.

It has been a very challenging year for all schools as a result of the pandemic. Throughout the year education was provided either face to face or remotely via work set on the website and later through Google classroom. For those in schools a robust set of risk assessments and operating procedures were in place, this led to a very small number of COVID cases in our community throughout the year.

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the year under review, £334,379 of restricted funds was carried forward representing 11.5% of GAG.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2021 this was 99% compared to 105% in 2020.

Going concern

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

SELWOOD ACADEMY

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

STRATEGIC REPORT

Financial review

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

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

During the year ended 31 August 2021, total expenditure (excluding depreciation) of £3,493,362 was covered by recurrent grant funding from the DfE and brought forward reserves, together with other incoming resources. Across both the general restricted funds and unrestricted funds (excluding the pension reserve), the academy showed an in year surplus of £333,174.

At 31 August 2021 the net book value of fixed assets was £6,315,317 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

Additional COVID funding was deployed to fund reading interventions for 48 year 5 pupils. 65% of the pupils involved made a demonstrable improvement. Maths interventions were also undertaken as part of the national tutoring programme through an external provider, 3rd space learning. This led to a total of 995 learning steps being achieved and 52% maintained or demonstrated accelerated progress. We undertook a planned carry forward of £40,000 which has been used to fund a specialist teacher of mindfulness in recognition of the emotional impact the pandemic has had on young people. As well as to fund specialist teachers in Maths, English and Phonics to ensure high quality interventions are in place as well as reduced class sizes for all children in year 5,6 and 8.

We also ran a summer school which was attended by 45 year 5 pupils, 13% of whom were disadvantaged. This demonstrated an increased level of retrieval upon their return, particularly in Maths.

STRATEGIC REPORT

Reserves policy

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

The Trustees have determined that the appropriate level of free reserves should be approximately £135,000. This is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition, the Trustees have also identified the need to hold £25,000 per year (£75,000 by the end of August 2021) in relation to the sinking fund associated with the 3G pitch.

Total reserves of the academy amounted to £3,721,679, of this £6,312,638 is invested in fixed assets. At the year end the academy held unrestricted funds of £19,624. In addition, the academy held restricted funds of £500,417 which is considered freely spendable within the academy's objectives. Therefore in total the academy was holding reserves of £520,041 which is in line with the intended level of reserves to be held by the academy. The Members and Trustees continue to monitor the reserves in accordance with the Board's reserves policy.

The Trustees previously approved the use of the reserves to support the construction of a state of the art 3G Pitch. With continued sound financial planning, changes in procedures and continued improvement of monitoring the accounts the in-year deficit and potential need for an advance from the ESFA did not occur and continues to be in a healthier position. The Academy created a three-year recovery plan, which determines that the Academy will be able to set a balanced Budget for the next three years. The Academy continuously refer to this plan and discuss decisions rigorously at SLT and Trust level. The Academy will continue to run shadow structures for staffing as and when necessary to ensure best value.

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

STRATEGIC REPORT

Plans for future periods

The Academy has set key priorities for improvement

Quality of Education

- Increase Attainment at KS2 in English and Maths
- Further develop the leadership and enactment of teaching and learning
- Further develop SEN provision to improve progress of pupils and parental perception

Behaviour and Attitudes

- Create a positive and supportive learning environment

Personal Development

- Ensure that all pupils have the opportunity to let their light shine
- Development an individualised staff CPD programme

Leadership and Management

- Build future capacity and sustainability

Key actions have been put in place in order to achieve these

- Reduced class sizes in Maths and English
- Specialist teachers available for interventions in Maths, English and Phonics
- Restructure of the Inclusion team, including the appointment of a new SENDCo
- Introduction of the new relationships policy and the introduction of the Compass Centre
- Individualised staff CPD available for all staff
- Introduction of Mindfulness and forest school to the curriculum

Investment policy

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

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

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

STRATEGIC REPORT

Principal risks and uncertainties

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

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

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 89% of the Academy Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

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

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

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

SELWOOD ACADEMY

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

STRATEGIC REPORT

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

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

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

Funds held as Custodian Trustee on behalf of others

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

Trade union facility time

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

SELWOOD ACADEMY

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

STRATEGIC REPORT

Auditor

Insofar as the Trustees are aware:

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

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

.....
C Cardnell
Trustee

SELWOOD ACADEMY
GOVERNANCE STATEMENT

Statement on governance and internal control

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Bailey-Green	6	7
R Phillips	7	7
C Cardnell	7	7
J Hopegood	3	3
K Kirkwood	4	7
M Bailey	6	7
J Gamble	5	7
E Denne	3	7
L Puttock	6	7
K Preston	2	4
D Hooton	4	7
D Jeffries	4	4
Rev G Slingo	3	7

SELWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

Selwood Academy has been in a state of transition this year. Jean Hopegood continued as headteacher for a further term having postponed her retirement until the end of December 2020. Daniel Jeffries took up post on 1st January 2021. The transition has gone smoothly with a handover meeting for accounting officers taking place in December.

The Academy was then able to commence a revision of the articles of association from 2011 as part of a thorough review of our governance structures. Trustees have been working to update in line with Dfe guidance, recommendations from ESFA and actions from the external review last year. Discussions have taken place between Stone King, the Diocese of Bath and Wells, the Methodist Foundation and the ESFA. Trustees now wait for approval from the ESFA prior to finalising the Articles and Funding Agreement with Trustees and Members.

The proposed revised structure makes a clear separation between members and trustees, reducing the number of members from 8 to 5. The trust board is also reduced from 16 to 8 trustees. Academy employees (including the headteacher by agreement) will not be appointed to the revised structure. Parent trustees will reduce from 5 to 2. Foundation representation remains at 25% on the board and 40% for members. All terms of reference and paperwork have also been revised and updated.

Clare Cardnell has continued as Chair of Trustees ensuring continuity over the year. The vice Chair is Emily Denne. The chair has reviewed existing skills of trustees and has been working to achieve the downsizing by sensitive negotiation, holding vacancies and seeking to recruit new member.

Staff employees, Kate Preston and Mandy Bailey, have retired. Three parent vacancies have been left vacant. The Ex officio Anglican Trustee, Rev Liz Dudley from the parish of Christchurch and St Mary's has been approved as Foundation member. Linda Puttock has been approved as the Anglican Foundation trustee.

Two associate committee members have also been appointed this year to aid succession planning. They are Laura Su (Quality of Education committee) and Paul Acres (Resources committee).

Due to Covid 19, trustee meetings continue to take place virtually via MS Teams. This has enabled the usual meeting cycle to continue uninterrupted. A trust board meeting was able to take place in school at the end of the summer term. Covid 19 remains a standing item on the board agendas.

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

SELWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

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

The Teaching and Learning committee reviews the educational performance of the Academy. Presentation of performance data has been revised by the new headteacher and gives increased clarity of data.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
C Bailey-Green	5	5
R Phillips	5	5
C Cardnell	5	5
J Hopegood	2	2
L Puttock	5	5
D Hooton	4	5
D Jeffries	3	3

Review of value for money

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

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

Improving educational results:

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

SELWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

Financial oversight and governance:

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

Better purchasing:

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

Better income generation:

- Income streams regularly explored
- CIF Bid submitted successfully for replacement of flat and pitched roof. Further applications will be made in 2021-2022 for boundary fencing to improve site safety for all.
- Continue to work to maximise the use of facilities outside School Hours including 3G lettings. All previous organisations have continued to keep in touch with Selwood at this time and despite the lockdowns the facility remains as popular as before and many bookings are in place. The 3G use is growing again steadily and anticipate a healthy return.

Reviewing controls and managing risks:

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Selwood Academy for the year ended 31 August 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 trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 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 trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

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

- not to appoint an internal auditor. However the Trustees have appointed a Responsible Officer (RO) via Somerset County Council as Responsible Officer
- The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

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

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

SELWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As Accounting Officer, D Jeffries has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

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

.....
C Cardnell
Trustee

.....
D Jeffries
Trustee

SELWOOD ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Selwood Academy I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

.....
D Jeffries
Accounting officer

Date:.....

SELWOOD ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on and signed on its behalf by:

.....
C Cardnell
Trustee

SELWOOD ACADEMY

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

Opinion

We have audited the financial statements of Selwood Academy (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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 original financial statements were authorised for issue.

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

Other information

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

SELWOOD ACADEMY

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 23], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

SELWOOD ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SELWOOD ACADEMY (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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy, including the Companies Act 2006, Academies Accounts Direction 2020 to 2021, Charities SORP 2019, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

SELWOOD ACADEMY

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

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

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

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

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

Use of our report

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

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

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date:.....

SELWOOD ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Selwood Academy during the year to 31 August 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 Selwood Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Selwood Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Selwood Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of the Board of Trustees' funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 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 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

SELWOOD ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- Reviewing compliance against the requirements of the Academies Financial Handbook (September 2020);
- A review of the governance policies and procedures with specific consideration of financial planning, monitoring and control;
- Gaining assurance that the lines of delegation and the limits set both internally by the academy and by ESFA have been adhered to;
- A review of all meeting minutes of the board trustees;
- An examination of financial transactions to identify any unusual items which may be improper; and
- A review of the declaration of interests completed by the trustees.

Conclusion

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

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

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date:.....

SELWOOD ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	2,533	2,495	347,001	352,029
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	3,550,223	-	3,550,223
Other trading activities	4	85,367	-	-	85,367
Investments	5	59	-	-	59
Total		87,959	3,552,718	347,001	3,987,678
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	85,535	3,407,827	217,147	3,710,509
Net income		2,424	144,891	129,854	277,169
Transfers between funds		-	(21,141)	21,141	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	22	-	(110,000)	-	(110,000)
Net movement in funds		2,424	13,750	150,995	167,169
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		17,200	(2,624,333)	6,161,643	3,554,510
Total funds/(deficit) carried forward at 31 August 2021		19,624	(2,610,583)	6,312,638	3,721,679

SELWOOD ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	11,754	19,596	53,562	84,912
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	3,092,329	-	3,092,329
Other trading activities	4	100,080	-	-	100,080
Investments	5	120	-	-	120
Total		111,954	3,111,925	53,562	3,277,441
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	103,956	3,166,391	199,119	3,469,466
Net income/(expenditure)		7,998	(54,466)	(145,557)	(192,025)
Transfers between funds		(10,545)	57,833	(47,288)	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	22	-	(591,000)	-	(591,000)
Net movement in deficit		(2,547)	(587,633)	(192,845)	(783,025)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		19,747	(2,036,700)	6,354,488	4,337,535
Total funds/(deficit) carried forward at 31 August 2020		17,200	(2,624,333)	6,161,643	3,554,510

SELWOOD ACADEMY
(REGISTRATION NUMBER: 07814065)
BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	6,315,317	6,156,647
Current assets			
Debtors	12	158,781	235,715
Cash at bank and in hand		<u>618,556</u>	<u>201,449</u>
		777,337	437,164
Creditors: Amounts falling due within one year	13	<u>(256,850)</u>	<u>(245,301)</u>
Net current assets		<u>520,487</u>	<u>191,863</u>
Total assets less current liabilities		6,835,804	6,348,510
Creditors: Amounts falling due after more than one year	14	<u>(3,125)</u>	-
Net assets excluding pension liability		6,832,679	6,348,510
Pension scheme liability	22	<u>(3,111,000)</u>	<u>(2,794,000)</u>
Net assets including pension liability		<u>3,721,679</u>	<u>3,554,510</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(2,610,583)	(2,624,333)
Restricted fixed asset fund		<u>6,312,638</u>	<u>6,161,643</u>
		3,702,055	3,537,310
Unrestricted funds			
Unrestricted general fund		<u>19,624</u>	<u>17,200</u>
Total funds		<u>3,721,679</u>	<u>3,554,510</u>

The financial statements on pages 30 to 55 were approved by the Trustees, and authorised for issue on and signed on their behalf by:

.....
C Cardnell
Trustee

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

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	17	435,863	326,925
Cash flows from investing activities	18	(28,757)	(138,990)
Cash flows from financing activities		<u>10,000</u>	<u>-</u>
Change in cash and cash equivalents in the year		417,106	187,935
Cash and cash equivalents at 1 September		<u>201,449</u>	<u>13,514</u>
Cash and cash equivalents at 31 August	19	<u><u>618,555</u></u>	<u><u>201,449</u></u>

1 Accounting policies

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

Basis of preparation

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

Going concern

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

Income

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

Grants

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

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

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

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

SELWOOD ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

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

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

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

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

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

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

Liabilities

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

SELWOOD ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

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

Taxation

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

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

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

SELWOOD ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

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

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants					
DfE/ESFA	-	-	347,001	347,001	53,562
Other donations	2,533	2,495	-	5,028	31,350
	<u>2,533</u>	<u>2,495</u>	<u>347,001</u>	<u>352,029</u>	<u>84,912</u>

SELWOOD ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****3 Funding for the Academy Trust's educational operations**

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	2,911,473	2,911,473	2,629,398
Rates	14,862	14,862	13,603
Pupil Premium	198,261	198,261	179,184
ESFA Teacher's pay grant	39,171	39,171	37,013
ESFA Teacher's pension grant	110,683	110,683	104,586
Other government grants	61,237	61,237	57,830
FSM Supplementary grant	12,600	12,600	-
	<u>3,348,287</u>	<u>3,348,287</u>	<u>3,021,614</u>
Other government grants			
Other Local authority grants	77,610	77,610	10,120
Individually assigned resources	69,166	69,166	52,292
Other DfE/ESFA COVID-19 funding	-	-	8,303
Catch-up premium	55,160	55,160	-
	<u>201,936</u>	<u>201,936</u>	<u>70,715</u>
Total grants	<u>3,550,223</u>	<u>3,550,223</u>	<u>3,092,329</u>

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

The Catch up premium income, associated expenditure and carried forward balance to be spent in 2021-22 is detailed in the Funds note.

SELWOOD ACADEMY

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

(CONTINUED)

4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Facilities and services income	42,483	42,483	56,274
Educational trips and activities	13,454	13,454	26,122
Other income	29,430	29,430	17,684
	<u>85,367</u>	<u>85,367</u>	<u>100,080</u>

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	<u>59</u>	<u>59</u>	<u>120</u>

6 Expenditure

	Non Pay Expenditure			2021 Total £	2020 Total £
	Staff costs £	Premises £	Other costs £		
Academy's educational operations					
Direct costs	-	-	-	-	2,359,430
Allocated support costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,110,036</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,469,466</u>

Out of balance to Resources expended category	(2,969,466)	(353,204)	(387,839)	(3,710,509)	-
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Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Operating lease rentals	4,863	5,426
Depreciation	217,066	197,440
Fees payable to auditor - audit	7,175	7,000
- other audit services	<u>2,250</u>	<u>2,200</u>

SELWOOD ACADEMY

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

(CONTINUED)

7 Charitable activities

		2020/21	2019/20
		£	£
Direct costs - educational operations		2,496,807	2,359,430
Support costs - educational operations		<u>1,213,702</u>	<u>1,110,036</u>
		<u>3,710,509</u>	<u>3,469,466</u>
	Educational operations	2020/21	2019/20
	£	Total	Total
		£	£
Analysis of direct costs			
Teaching and educational support staff costs	2,380,549	2,380,549	2,245,406
Educational supplies	71,388	71,388	67,902
Staff development	9,278	9,278	7,284
Other direct costs	18,028	18,028	30,884
Trip costs	<u>17,564</u>	<u>17,564</u>	<u>7,954</u>
Total direct costs	<u>2,496,807</u>	<u>2,496,807</u>	<u>2,359,430</u>
	Educational operations	2020/21	2019/20
	£	Total	Total
		£	£
Analysis of support costs			
Support staff costs	588,917	588,917	591,350
Depreciation	217,147	217,147	199,119
Recruitment and support	6,659	6,659	7,183
Rent, rates and utilities	63,515	63,515	66,256
Insurance	17,031	17,031	17,726
Catering	37,055	37,055	28,081
Maintenance of premises and equipment	52,783	52,783	38,548
Cleaning	19,759	19,759	18,425
Technology costs	25,146	25,146	29,868
Professional fees	88,481	88,481	43,288
Other support costs	97,042	97,042	61,397
Governance costs	<u>167</u>	<u>167</u>	<u>8,795</u>
Total support costs	<u>1,213,702</u>	<u>1,213,702</u>	<u>1,110,036</u>

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

8 Staff**Staff costs**

	2020/21	2019/20
	£	£
Staff costs during the year were:		
Wages and salaries	2,040,650	1,995,616
Social security costs	187,703	178,220
Operating costs of defined benefit pension schemes	<u>674,108</u>	<u>582,446</u>
	2,902,461	2,756,282
Supply staff costs	<u>67,005</u>	<u>80,474</u>
	<u><u>2,969,466</u></u>	<u><u>2,836,756</u></u>

Staff numbers

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

	2021	2020
	No	No
Charitable Activities		
Teachers	34	31
Administration and support	44	54
Management	<u>5</u>	<u>5</u>
	<u><u>83</u></u>	<u><u>90</u></u>

Higher paid staff

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

	2021	2020
	No	No
£60,001 - £70,000	2	2
£80,001 - £90,000	<u>-</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £426,715 (2020: £420,862).

SELWOOD ACADEMY

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

(CONTINUED)

9 Related party transactions - trustees' remuneration and expenses

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

J Hopegood (Head teacher and Accounting Officer (resigned 31 December 2020)):

Remuneration: £25,000 - £30,000 (2020 - £80,000 - £85,000)

Employer's pension contributions: £5,000 - £10,000 (2020 - £15,000 - £20,000)

K Preston (Staff trustee (resigned 24 February 2021)):

Remuneration: £40,000 - £45,000 (2020 - £35,000 - £40,000)

Employer's pension contributions: £5,000 - £10,000 (2020 - £5,000 - £10,000)

M Bailey (Staff trustee (resigned 31 July 2021)):

Remuneration: £10,000 - £15,000 (2020 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2020 - £0 - £5,000)

D Jeffries (Head Teacher and Accounting Officer (appointed 1 January 2021)):

Remuneration: £45,000 - £50,000 (2020 -)

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

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020 - £Nil) were reimbursed or paid directly to trustees (2020 - 0).

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' and officers' insurance

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

SELWOOD ACADEMY

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

(CONTINUED)

11 Tangible fixed assets

	Leasehold land and buildings £	3G Pitch £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 September 2020	6,506,858	641,720	303,530	352,059	20,720	7,824,887
Additions	<u>313,795</u>	<u>-</u>	<u>15,626</u>	<u>46,396</u>	<u>-</u>	<u>375,817</u>
At 31 August 2021	<u>6,820,653</u>	<u>641,720</u>	<u>319,156</u>	<u>398,455</u>	<u>20,720</u>	<u>8,200,704</u>
Depreciation						
At 1 September 2020	927,754	104,796	278,613	336,357	20,720	1,668,240
Charge for the year	<u>120,261</u>	<u>64,172</u>	<u>13,876</u>	<u>18,838</u>	<u>-</u>	<u>217,147</u>
At 31 August 2021	<u>1,048,015</u>	<u>168,968</u>	<u>292,489</u>	<u>355,195</u>	<u>20,720</u>	<u>1,885,387</u>
Net book value						
At 31 August 2021	<u>5,772,638</u>	<u>472,752</u>	<u>26,667</u>	<u>43,260</u>	<u>-</u>	<u>6,315,317</u>
At 31 August 2020	<u>5,579,104</u>	<u>536,924</u>	<u>24,917</u>	<u>15,702</u>	<u>-</u>	<u>6,156,647</u>

12 Debtors

	2021 £	2020 £
Trade debtors	8,245	8,001
VAT recoverable	43,071	86,961
Prepayments and accrued income	<u>107,465</u>	<u>140,753</u>
	<u>158,781</u>	<u>235,715</u>

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

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	84,698	16,711
Other taxation and social security	48,159	44,280
Other creditors	6,875	13,686
Accruals and deferred income	64,413	120,834
Pension scheme creditor	52,705	49,790
	<u>256,850</u>	<u>245,301</u>
	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	8,001	20,629
Resources deferred in the period	17,115	8,001
Amounts released from previous periods	<u>(8,001)</u>	<u>(20,629)</u>
Deferred income at 31 August 2021	<u>17,115</u>	<u>8,001</u>

At the balance sheet date the academy trust was holding funds received in advance from the ESFA relating to the 2020/21 academic year.

14 Creditors: amounts falling due after one year

	2021
	£
Loans	<u>3,125</u>

Loans of £10,000 from Salix which is provided on the following terms: interest-free and repayable in monthly instalments ending January 2023. £6,875 is recognised in current liabilities.

SELWOOD ACADEMY

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

(CONTINUED)

15 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	77,236	2,911,473	(2,633,189)	(21,141)	334,379
Other DfE/ESFA grants	56,622	213,843	(208,489)	-	61,976
Other Local Authority Grant	-	146,776	(146,776)	-	-
Other restricted funds	7,547	2,495	(2,495)	-	7,547
Pupil Premium	28,262	198,261	(170,777)	-	55,746
Catch-up premium	-	55,160	(14,391)	-	40,769
Other DfE/ESFA COVID-19 funding	-	24,710	(24,710)	-	-
Pension reserve	<u>(2,794,000)</u>	<u>-</u>	<u>(207,000)</u>	<u>(110,000)</u>	<u>(3,111,000)</u>
	<u>(2,624,333)</u>	<u>3,552,718</u>	<u>(3,407,827)</u>	<u>(131,141)</u>	<u>(2,610,583)</u>
Restricted fixed asset funds					
Inherited fixed assets	5,151,503	-	(105,432)	-	5,046,071
DfE/ESFA capital grants	439,022	347,001	(26,154)	-	759,869
3G Sports Pitch	538,388	-	(65,636)	-	472,752
Capital expenditure from GAG	<u>32,730</u>	<u>-</u>	<u>(19,925)</u>	<u>21,141</u>	<u>33,946</u>
	<u>6,161,643</u>	<u>347,001</u>	<u>(217,147)</u>	<u>21,141</u>	<u>6,312,638</u>
Total restricted funds	3,537,310	3,899,719	(3,624,974)	(110,000)	3,702,055
Unrestricted funds					
General	<u>17,200</u>	<u>87,959</u>	<u>(85,535)</u>	<u>-</u>	<u>19,624</u>
Total funds	<u>3,554,510</u>	<u>3,987,678</u>	<u>(3,710,509)</u>	<u>(110,000)</u>	<u>3,721,679</u>

SELWOOD ACADEMY

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

(CONTINUED)

15 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	2,629,398	(2,599,450)	47,288	77,236
Other DfE/ESFA grants	-	213,032	(164,744)	8,334	56,622
Other Local Authority Grant	-	62,412	(62,412)	-	-
Other restricted funds	-	19,596	(12,049)	-	7,547
Pupil Premium	14,300	179,184	(167,433)	2,211	28,262
Other DfE/ESFA COVID-19 funding	-	8,303	(8,303)	-	-
Pension reserve	<u>(2,051,000)</u>	<u>-</u>	<u>(152,000)</u>	<u>(591,000)</u>	<u>(2,794,000)</u>
	<u>(2,036,700)</u>	<u>3,111,925</u>	<u>(3,166,391)</u>	<u>(533,167)</u>	<u>(2,624,333)</u>
Restricted fixed asset funds					
Inherited fixed assets	5,256,936	-	(105,433)	-	5,151,503
DfE/ESFA capital grants	482,224	39,331	(3,651)	(78,882)	439,022
3G Sports Pitch	555,535	14,231	(62,972)	31,594	538,388
Capital expenditure from GAG	<u>59,793</u>	<u>-</u>	<u>(27,063)</u>	<u>-</u>	<u>32,730</u>
	<u>6,354,488</u>	<u>53,562</u>	<u>(199,119)</u>	<u>(47,288)</u>	<u>6,161,643</u>
Total restricted funds	4,317,788	3,165,487	(3,365,510)	(580,455)	3,537,310
Unrestricted funds					
General	<u>19,747</u>	<u>111,954</u>	<u>(103,956)</u>	<u>(10,545)</u>	<u>17,200</u>
Total funds	<u><u>4,337,535</u></u>	<u><u>3,277,441</u></u>	<u><u>(3,469,466)</u></u>	<u><u>(591,000)</u></u>	<u><u>3,554,510</u></u>

SELWOOD ACADEMY

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

(CONTINUED)

15 Funds (continued)

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

General Annual Grant (GAG) – Funding from the Education and Skills Funding Agency to support the education and running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

UIFSM - This represents funding received from the ESFA for the provision of school dinners to all pupils.

Catch-up premium - A one-off universal grant from the Education and Skills Funding Agency for the 2020/21 academic year to support children and young people to catch up lost time after school closure, and to cover associated costs.

Other local authority grants – Funding from Somerset County Council towards the cost of supporting high needs pupils.

General restricted – Funding from other organisations to support specific projects undertaken by the Academy Trust.

Pension Reserve – This fund represents the pension deficit for the Local Government Pension Scheme and its associated costs for the period.

Inherited Fixed Assets – This fund is to recognise the value of the donated fixed assets at the conversion of the school to an Academy. The expenditure is the depreciation on those assets.

DfE/ESFA capital grants – This is funding from the DfE/ESFA to support capital projects undertaken by the academy.

Capital expenditure from GAG – This represents the amount of the General Annual Grant allocated towards capital expenditure during the period and its associated depreciation.

Capital expenditure from other restricted funds – This represents the amount of Devolved Formula Capital Grant and other DfE/ESFA grants allocated towards capital and its associated depreciation.

General unrestricted – This represents funds which may be used towards meeting any of the charitable objectives of the academy trust at the discretion of the trustees.

Capital expenditure from unrestricted funds - This represents the amount of unrestricted funds allocated towards capital and its associated depreciation.

SELWOOD ACADEMY

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

(CONTINUED)

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,315,317	6,315,317
Current assets	19,624	750,392	7,321	777,337
Current liabilities	-	(249,975)	(6,875)	(256,850)
Creditors over 1 year	-	-	(3,125)	(3,125)
Pension scheme liability	-	(3,111,000)	-	(3,111,000)
Total net assets	<u>19,624</u>	<u>(2,610,583)</u>	<u>6,312,638</u>	<u>3,721,679</u>

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

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

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

	2021 £	2020 £
Net income/(expenditure)	277,169	(192,025)
Depreciation	217,147	199,119
Capital grants from DfE and other capital income	(347,001)	(53,562)
Interest receivable	(59)	(120)
Defined benefit pension scheme cost less contributions payable	162,000	114,000
Defined benefit pension scheme finance cost	45,000	38,000
Decrease in debtors	76,934	206,087
Increase in creditors	4,673	15,426
Net cash provided by Operating Activities	<u>435,863</u>	<u>326,925</u>

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

18 Cash flows from investing activities

	2021	2020
	£	£
Dividends, interest and rents from investments	59	120
Purchase of tangible fixed assets	(375,817)	(192,672)
Capital funding received from sponsors and others	<u>347,001</u>	<u>53,562</u>
Net cash used in investing activities	<u><u>(28,757)</u></u>	<u><u>(138,990)</u></u>

19 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>618,556</u>	<u>201,449</u>
Total cash and cash equivalents	<u><u>618,556</u></u>	<u><u>201,449</u></u>

20 Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash	201,449	417,107	618,556
Salix loan	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
Total	<u><u>201,449</u></u>	<u><u>407,107</u></u>	<u><u>608,556</u></u>

21 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.

22 Pension and similar obligations

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

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

Contributions amounting to £52,705 (2020: £49,790) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £274,403 (2020: £314,598). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

SELWOOD ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****22 Pension and similar obligations (continued)**

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £175,000 (2020 - £158,000), of which employer's contributions totalled £140,000 (2020 - £125,000) and employees' contributions totalled £35,000 (2020 - £33,000). The agreed contribution rates for future years are 21 per cent for employers and 5.5 per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.70	1.60
Inflation assumptions (CPI)	<u>2.90</u>	<u>1.50</u>

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

	2021	2020
Retiring today		
Males retiring today	23.10	23.30
Females retiring today	24.60	24.80
Retiring in 20 years		
Males retiring in 20 years	24.40	24.70
Females retiring in 20 years	<u>26.10</u>	<u>26.20</u>

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	5,474,000	4,635,000
Discount rate -0.1%	5,735,000	4,857,000
Mortality assumption – 1 year increase	5,834,000	4,926,000
Mortality assumption – 1 year decrease	5,381,000	4,571,000
Pension increases +0.1%	5,724,000	4,848,000
Pension increases -0.1%	5,485,000	4,645,000
Long term salary increase +0.1%	5,613,000	4,754,000
Long term salary increase -0.1%	<u>5,593,000</u>	<u>4,736,000</u>

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

22 Pension and similar obligations (continued)

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

	2021	2020
	£	£
Equities	1,812,000	1,357,000
Gilts	141,000	137,000
Other bonds	260,000	212,000
Property	179,000	143,000
Cash and other liquid assets	100,000	102,000
Total market value of assets	<u>2,492,000</u>	<u>1,951,000</u>

The actual return on scheme assets was £418,000 (2020 - £29,000).

Amounts recognised in the statement of financial activities

	2021	2020
	£	£
Current service cost	302,000	239,000
Interest cost	44,000	37,000
Admin expenses	1,000	1,000
Total amount recognized in the SOFA	<u>347,000</u>	<u>277,000</u>

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

	2021	2020
	£	£
At start of period	4,745,000	3,841,000
Current service cost	302,000	239,000
Interest cost	76,000	71,000
Employee contributions	35,000	33,000
Actuarial (gain)/loss	592,000	323,000
Losses or gains on curtailments	(96,000)	263,000
Benefits paid	<u>(51,000)</u>	<u>(25,000)</u>
At 31 August	<u>5,603,000</u>	<u>4,745,000</u>

SELWOOD ACADEMY

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

(CONTINUED)

22 Pension and similar obligations (continued)

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

	2021	2020
	£	£
At start of period	1,951,000	1,790,000
Interest income	32,000	34,000
Actuarial gain/(loss)	386,000	(5,000)
Employer contributions	140,000	125,000
Employee contributions	35,000	33,000
Benefits paid	(51,000)	(25,000)
Effect of non-routine settlements	<u>(1,000)</u>	<u>(1,000)</u>
At 31 August	<u>2,492,000</u>	<u>1,951,000</u>

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

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