

The Academy of Woodlands
(A company limited by guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2021

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 6
Governance statement	7 - 10
Statement on regularity, propriety and compliance	11
Statement of Trustees' responsibilities	12
Independent auditors' report on the financial statements	13 - 15
Independent reporting accountant's report on regularity	16 - 17
Consolidated statement of financial activities incorporating income and expenditure account	18
Consolidated balance sheet	19
Academy balance sheet	20
Consolidated statement of cash flows	21
Notes to the financial statements	22 - 47

The Academy of Woodlands
(A company limited by guarantee)

Reference and Administrative Details
For the Year Ended 31 August 2021

Members	Mrs E Mutter-Child	
	Miss S Hill	(appointed 17/11/20, resigned 11/11/21)
	Mr N Fiddaman	(appointed 30/04/21, resigned 08/11/21)
	Mrs R McIntosh	(resigned 17/11/20)
	Mrs J Komorowski	(resigned 01/03/21)
Trustees	Dr L Thompson	(Chairperson & Chairperson Finance Committee)
	Mr C Mackay *	(Vice Chairperson)
	Miss A Beer	(staff trustee)
	Mrs K Browne	(staff trustee appointed 23/03/2021, resigned 12/10/21)
	Mr W Cooper *	(appointed 19/01/21)
	Mr L Costidell *	(appointed 22/09/20)
	Mrs A Costidell *	(appointed 22/09/20)
	Mrs A Keast	(appointed 12/07/21)
	Mr J Young *	
	Miss P Wadsworth	(appointed 01/09/21)
	Mr L Geary	(appointed 01/09/21)
	Mrs H Sanders	(resigned 23/03/21)
	Mr P Days	(resigned 12/04/21)
	Mrs K Knowles	(resigned 22/03/21)
	Mr N Fiddaman	(resigned 31/12/20)
	Mr M Child	(resigned 22/05/21)
	Mrs A Viney *	(Accounting Officer, appointed 01.01.21)

* members of the Finance Committee

Company registered number 08444770 (England and Wales)

Principal and registered office The Academy of Woodlands
Gillingham
ME7 2DU

Senior management team	Mrs A Viney	Headteacher/Accounting Officer
	Miss A Beer	Assistant Headteacher
	Mr D Ramm	Assistant Headteacher

Independent auditors UHY Kent LLP t/a UHY Hacker Young
Chartered Accountants, Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent. ME10 4BJ

Bankers **Lloyds Bank**
142-146 High Street
Chatham
Kent
ME4 4DQ

The Academy of Woodlands
(A company limited by guarantee)

Trustees' Report
For the Year Ended 31 August 2021

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

The academy trust operates 1 primary academy in Gillingham. The Academy has a pupil capacity of 752 and had a roll of 741 in the October 2020 school census. The academy trust has a subsidiary undertaking whose principal activity is the operation of a gym and café.

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 The Academy of Woodlands are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Academy of Woodlands.

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

Members' Liability

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

Trustees' Indemnities

The academy trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The academy trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the academy trust.

Details of the insurance cover are provided in note 14 to the financial statements.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed for a 4 year period but they are eligible for re-election at the meeting in which their term of office ends. When a trustee position becomes available, it is widely advertised.

Potential trustees are asked to submit an expression of interest. If selected they are invited for interview by other trustees of the board. If necessary a vote is taken to nominate the new director/trustee

Policies and procedures adopted for the induction and training of trustees

There is a designated trustee responsible for identifying training needs of newly appointed trustees. This includes an ongoing skills audit.

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity, educational, legal and financial matters. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their roles as trustees. As there are generally few changes to trustees each year induction tends to be done informally and is tailored specifically to the individual. The Academy purchases Governor Services from Medway Council to assist with the training needs of members or trustees.

Organisational Structure

Through the finance policy and procedures and any other relevant policies the Headteacher (CEO) is given the day to day powers to run the Academy. All major decisions that fall outside of the Headteacher limits are always referred to the relevant committee or full Governing Body. The CEO is the Accounting Officer for the Academy.

Arrangements for setting pay and remuneration of key management personnel#

All key managers are set targets from their previous year's appraisal. These are reviewed every 6 months and form the basis of this year's performance management review which takes place in October each year. From the review, the Directors make a decision on pay based on the recommendations of the Headteacher who undertakes all senior management reviews.

The Headteacher has her own performance management review with the Directors assisted by a private consultant. From that review a decision is taken on whether the Headteacher has achieved his objectives in the same way as senior managers. The Directors also get a termly report from the Headteacher outlining how the Academy strategic plan is developing

Total remuneration paid to senior management personnel is set out in note 12 (d).

Trustees' Report
For the Year Ended 31 August 2021

Trade union facility time

No employees were relevant union officials during the relevant period.

Related Parties and other Connected Charities and Organisations

The Academy has no related parties nor other connected charities and organisations, other than its own subsidiary undertaking Woodlands (Primary) Academy Limited. The results of the subsidiary company are consolidated within these financial statements.

OBJECTIVES AND ACTIVITIES

The principal objective of the Academy Trust is the operation of Woodlands Primary School, to provide an outstanding education for students between the ages of 2 and 11. A more detailed summary is provided in the school development plan and the SEF and on the Academy website.

Objects and Aims

The Academy Trusts aims are to be a true Community school open 7 days per week to anyone who wants to use the school. Our overarching aim is to provide a holistic environment which encompasses education alongside the well-being of our pupils and their families

Objectives, Strategies and Activities

Covid-19 has once again had considerable impact on the day to day functioning of the academy in terms of both education and all we offer to the wider community.

We remained open to key-worker and vulnerable pupils throughout including the provision of wraparound care.

Our educational provision for pupils who remained at home through the lockdown periods was on-line learning using a combination of recorded lessons, live remote lessons and reference to The Oak Academy. Staff provided daily online feedback for all pupils.

Public Benefit

The trustees confirm they have complied with the guidance on public benefit published by the Charity Commission. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievement and Performance

Due to Covid-19 the Government did not require statutory testing of pupils for the academic year 2020-2021. On full re-opening of the school in March 2021 all pupils were internally assessed in order to identify gaps that needed to be filled. This enabled us to develop programmes of tailored accelerated learning curriculums.

Additional staff were employed to support this using government catch-up funding.

Key Performance Indicators

The Ofsted grading for the school remains good with a number of outstanding features. Our 2019 phonics screening results were significantly above the national average and our end of key stage results remained in line with national expectations.

Attendance was impacted by Covid-19 issues however for the period when the school was fully open attendance remained good at in excess of 95%

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.

The Academy of Woodlands
(A company limited by guarantee)

Trustees' Report
For the Year Ended 31 August 2021

Due to Covid-19 the subsidiary of the Academy has lost income, however we are encouraged to note that our income streams are now recovering well. We have taken prudent financial decisions to ensure the long-term financial security of the Academy including a re-structure across all departments of staff.

FINANCIAL REVIEW

This year has been impacted by the turbulence in the general environment as a result of Covid-19 meaning additional pressure on the budgets of schools. Despite this the Trust is in a healthy financial position and has funds that will help it to cover the additional costs that are materialising in 2021/22 as a result of the pandemic at the same time as being able to invest further in infrastructure.

Our principal source of funding is direct government grant funding enhanced by the unrestricted income we generate from our other income streams.

Most of the trust's recurrent income is received in the form of grants from the Education and Skills Funding Agency ("ESFA"), the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA").

Total income for the year, as shown by the SoFA, amounted to £3,924,849 an increase on the £3,767,033 in the prior year. The increase is mainly due an increase in the General Annual Grant (GAG) received by the Trust. Income from other trading activities has decreased by £42,181, mainly due to the impact of Covid-19.

The SoFA shows total expenditure for the year of £3,984,199, leaving net expenditure before other recognised gains/(losses) of £59,350. The overall net movement in funds is a decrease of £564,350, as a result of an actuarial loss of £505,000 relating to the Local Government Pension Scheme (LGPS). This actuarial loss/gain forms part of the movement in the LGPS deficit carried on the trust's Balance Sheet.

The pension movements are one element that make reading the financial statements and understanding the underlying financial performance of the trust and its academies difficult. The restricted fixed asset fund is another such element and has little bearing on the day-to-day educational activities. Income for the year within this fund reflects the value of school land, buildings and other fixed assets transferred into the trust in relation to joining academies, plus capital grants used to improve the academies' buildings and to buy equipment used across the trust. Expenses charged to the fixed asset fund are largely non-cash depreciation charges which write off the cost of these assets over their useful lives.

Excluding inherited balances, movements on tangible fixed assets and the LGPS defined benefit pension the multi-academy trust achieved/suffered an operational revenue surplus on funds for the year of £426k (2020: surplus of £84k), as reconciled from the SoFA below:

	2021 (£000s)	2020 (£000s)
Overall net movement in funds for the year per SOFA	(564)	(852)
Decrease / (increase) attributable to fixed asset fund	9	(20)
LGPS actuarial loss	505	523
LGPS service and interest costs	382	314
Movement in revenue income funds during the year	332	(35)
Add: Transfers from revenue to capital to fund fixed asset additions	94	119
Operational surplus on revenue funds before transfers to capital	426	84

At 31 August 2021, the net book value of fixed assets was £3,266,481 and movements in tangible fixed assets are shown in note 15 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the academies, the only exceptions to this being letting of the premises to local community groups and other affiliated organisations.

Trustees' Report
For the Year Ended 31 August 2021

Financial position

Total funds as at 31 August 2021 were £507,585 (2020: £1,071,935). These were represented by restricted funds (excluding the pension reserve) of £3,900,360 (2020: £3,607,045) and unrestricted income funds of £812,225 (2020: £782,890). Offset against these funds was the pension scheme liability of £4,205,000 (2020: £3,318,000) to give the total funds balance.

The only fund in deficit was the LGPS pension reserve of £4,205,000. The increase in this reserve during the year has arisen because of the actuarial loss/gain that occurred in the financial year along with the other pension current service and finance costs. The deficit is not a concern and does not mean that an immediate liability crystallises. It can be described as an accounting deficit which has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the multi-academy trust are fixed until 1 April 2023.

Reserves Policy

The purpose of the reserves policy is to ensure the stability of the Academy's organisational operations, so that it has the ability to adjust quickly to changes in financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital.

Restricted reserves are those funds received by the academy either from its main EFA funding grant, other grant contributions or donations that are received for a specific project or purpose. These funds are restricted for use according to the funding agreements or donors' instructions.

Designated Funds

These are unrestricted funds that have been allocated by the trustees for a particular purpose. These funds are reviewed regularly and approved by the Finance Committee; (they are obtained by designating funds from the unrestricted funds). The Academy has one designated fund for the replacement every 10 years of the 3G pitch, we allocate £10,000 annually to this fund.

The level of reserves will be determined by the trustees annually and can fluctuate depending on operational needs but the trustees have determined that the Academy should aim to have a minimum of two month's salary costs (currently £461,870) held in reserves. This is to provide sufficient reserves to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The trust had sufficient reserves as at 31 August 2021 to meet this target.

The trustees will continue to monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the trust will strive to rebuild free reserves up to the level needed.

Investment Policy

Due to the expansion project to 3-form entry that has been carried out over the last 5 years we have not felt able to make investment decisions. This expansion is now complete and the trustees will be looking to take advice regarding potential investment.

The trust will look toward a low risk approach to investments utilising short term deposits with secure banking partners for the foreseeable future. Our priorities remain to ensure that there is the lowest possible risk to adversely affecting resources. Now that the expansion is complete the Trust has created an investment policy that is reviewed by the Board of Trustees on a periodic basis to ensure it remains in line with the Trust objectives and risk profile

Principal Risks and Uncertainties

Income

As the Academy has one main source of funding, being the DfE there is a reliance on this funding remaining at a level sufficient to cover the financial requirements of the Academy. This is outside the control of the Academy however the Academy does have other funding streams which include the onsite Nursery, Sports and Arts facilities lettings.

Pupil Numbers

As the DfE funding is based on pupil numbers, the Academy is reliant on the demographics of the catchment area and parental preference, however the Academy consistently remains oversubscribed for its Reception Year.

The Academy of Woodlands
(A company limited by guarantee)

Trustees' Report
For the Year Ended 31 August 2021

Risk of Fraud/Mismanagement

The Academy has appointed UHY Hacker Young (external auditors) and KCC Internal Audit for Academies (internal auditors) to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive regular training to keep them up to date with financial practice requirements and develop their skills in this area.

FUNDRAISING

The Academy does no fundraising itself, it does have a separate PTA which fundraises for its own activities.

PLANS FOR FUTURE PERIODS

In September 2021 The Academy submitted to ESFA a UCS bid to replace all of the roof areas across the site. We sought expert advice to ensure that the bid was effectively and comprehensively completed.

A further CIF bid will be submitted in the Autumn for complete re-wiring of the site.

AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- 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.

New auditors UHY Hacker Young were appointed for year ending 31 August 2021.

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



Dr L. Thompson
Chairperson of Trustees

Date: 15.12.21

The Academy of Woodlands

(A company limited by

Governance Statement

For the Year Ended 31 August 2021

Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<u>Trustee</u>	<u>Meetings Attended</u>	<u>Out of a possible</u>
Dr L Thompson	5	5
Mr C Mackay	4	5
Mr J Young	5	5
Mr L Costidell	5	5
Mrs A Costidell	5	5
Miss A Beer	5	5
Mrs K Browne	3	3
Mr B Cooper	4	4
Mrs A Keast	0	0
Mrs A Viney	4	5
Mr N Fiddaman	1	1
Mr M Child	2	4
Mr P Day	1	3
Mrs K Knowles	2	2
Mrs H Sanders	0	3

The full board has therefore met more than the minimum number of times (three) stipulated in the Academies Financial Handbook, but less than recommended number of six. The board are content that five meetings are sufficient and they have been able to maintain effective oversight of funds with fewer meetings than six due to the sub-committee structure and regular meetings of the Finance and Buildings Committee (see below).

There have been significant changes to the board of trustees this year with a new chair and vice-chair being appointed. Numbers have been strengthened in line with the skills audit that has been carried out. New trustees were appointed by using the DfE targeted recruitment.

Governance reviews

We have also carried out a full external governance review, recommendations include:

- training for trustees and members
- increasing the numbers of members
- Continuation of improved practices

At the time of writing this summary the board have not yet received the full written review but has received initial verbal feedback which highlighted the above points.

The Academy of Woodlands

(A company limited by

Governance Statement

For the Year Ended 31 August 2021

The board will discuss the review in detail at a future meeting once the full report has been received.

The board will also carry out a self-evaluation review towards the end of this academic year.

As noted above, the trust operates a Finance and Buildings Committee as a sub-committee of the main board of trustees. Its purpose is to:

- Monitor the financial position of the Trust ensuring the financial policies and procedures are adhered to
- Review and discuss large expenditure items ensuring procurement policies are met
- In accordance with the staffing committee agree and approve any new staff positions within the SLT
- Guide the internal audit each year by agreeing the areas for scrutiny with the auditors ensuring all areas are covered on a bi-annual programme
- Overseeing a re-structure of staffing in the academic year 2020/21
- Overseeing the TUPE transfer of Cleaning, Catering and wraparound care in the academic year 2020/21

Attendance at Finance and Buildings Committee meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings Attended</u>	<u>Out of a possible</u>
Dr L Thompson	3	4
Mr C Mackay	3	5
Mr J Young	5	5
Mr L Costidell	4	4
Mrs A Costidell	4	4
Mr B Cooper	4	4
Mrs A Viney	4	4
Mr N Fiddaman	1	1
Mr M Child	2	2
Mrs K Knowles	2	2

Review of value for money

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

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

- It is more difficult to substantiate the value of money through our results as there was no national testing this year.
- We continue to add to and improve our facilities for children and the community
- Trustees are working with the extended service managers to ensure that we continue to generate the maximum income possible to benefit further our children and the community

The Purpose of the System of Internal Control

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

The Academy of Woodlands

(A company limited by

Governance Statement

For the Year Ended 31 August 2021

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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period year to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy 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 and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of trustees has decided to buy-in an internal audit service from KCC Internal Audit for Academies. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Risk Identification and Management
- Payroll & HR
- Governance & Procedures
- Lettings and income generation
- Banking & Income
- School Trips & Refunds

On an annual basis, the auditor 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 and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Academy is happy that the internal auditors has delivered the planned schedule of works. The issues identified by the internal auditors were as follows:

- No gifts & hospitality policy was available
- Business continuity policy did not mention Covid-19
- Some amendments to the risk register were advised

All of the above points have either already been rectified or are tabled for discussion by the trustees.

Review of Effectiveness

As accounting officer, the Headteacher/CEO 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 internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process or 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 Academy of Woodlands

(A company limited by

Governance Statement

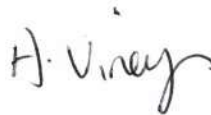
For the Year Ended 31 August 2021

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 Buildings Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Dr L Thompson
Chairperson of Trustees



Mrs A Viney
Accounting Officer



Date: 15.12.2021




The Academy of Woodlands
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

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

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

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


Mrs A Viney
Accounting Officer

Date:

15.12.2021

Statement of Trustees' responsibilities
For the Year Ended 31 August 2021

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

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


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

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

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

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

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


Dr L Thompson
Chair of Trustees

Date:

15.12.21 X

Independent Auditors' Report on the financial statements to the Members of The Academy of Woodlands

Opinion

We have audited the financial statements of The Academy of Woodlands (the 'parent Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Independent Auditors' Report on the financial statements to the Members of The Academy of Woodlands (continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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:

How 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:

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academies Financial Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts 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.

Independent Auditors' Report on the financial statements to the Members of The Academy of Woodlands (continued)

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 set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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 minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

Other matters

The financial statements for the year ended 31 August 2020 were audited by the predecessor auditor, MHA MacIntyre Hudson. The audit report was issued on 26 January 2021 and expressed an unqualified opinion on the financial statements.

Use of our report

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

Allan Hickie BSc FCA (Senior statutory auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 16 December 2021

Independent Reporting Accountant's Assurance Report on Regularity to The Academy of Woodlands and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 2 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Academy of Woodlands during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Academy of Woodlands's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of The Academy of Woodlands for the year ended 31 August 2021 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

The Academy of Woodlands
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Academy of Woodlands and the Education & Skills Funding Agency (continued)

Conclusion

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

UHY Kent LLP

UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 16 December 2021

The Academy of Woodlands
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	483	-	11,486	11,969	12,497
Other trading activities	5	197,025	70,178	-	267,203	309,384
Investments	6	338	-	-	338	491
Funding for educational operations	4	3,366	3,641,973	-	3,645,339	3,444,661
Total income		201,212	3,712,151	11,486	3,924,849	3,767,033
Expenditure on:						
Raising funds	8	78,315	-	-	78,315	101,443
Charitable activities	9	-	3,792,155	113,729	3,905,884	3,994,430
Total expenditure		78,315	3,792,155	113,729	3,984,199	4,095,873
Net income/(expenditure)		122,897	(80,004)	(102,243)	(59,350)	(328,840)
Transfers between funds	19	(93,562)	-	93,562	-	-
Net movement in funds before other recognised gains/(losses)		29,335	(80,004)	(8,681)	(59,350)	(328,840)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(505,000)	-	(505,000)	(523,000)
Net movement in funds		29,335	(585,004)	(8,681)	(564,350)	(851,840)
Reconciliation of funds:						
Total funds brought forward		782,890	(2,966,559)	3,255,604	1,071,935	1,923,775
Net movement in funds		29,335	(585,004)	(8,681)	(564,350)	(851,840)
Total funds carried forward		812,225	(3,551,563)	3,246,923	507,585	1,071,935


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


The notes on pages 22 to 47 form part of these financial statements.


Consolidated Balance Sheet
As at 31 August 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Tangible assets	15	3,266,481	3,287,422
Current assets			
Debtors	17	77,871	80,767
Cash at bank and in hand		1,539,151	1,209,203
		<u>1,617,022</u>	<u>1,289,970</u>
Creditors: amounts falling due within one year	18	(170,918)	(187,457)
Net current assets		<u>1,446,104</u>	<u>1,102,513</u>
Total assets less current liabilities		<u>4,712,585</u>	<u>4,389,935</u>
Defined benefit pension scheme liability	25	(4,205,000)	(3,318,000)
Total net assets		<u><u>507,585</u></u>	<u><u>1,071,935</u></u>
Restricted funds:			
Fixed asset funds	19	3,246,923	3,255,604
Restricted income funds	19	653,437	351,441
		<u>3,900,360</u>	<u>3,607,045</u>
Restricted funds excluding pension liability	19	3,900,360	3,607,045
Pension reserve	19	(4,205,000)	(3,318,000)
Total restricted funds	19	<u>(304,640)</u>	<u>289,045</u>
Unrestricted income funds	19	<u>812,225</u>	<u>782,890</u>
Total funds		<u><u>507,585</u></u>	<u><u>1,071,935</u></u>

The financial statements on pages 18 to 47 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


Dr L Thompson
Chair of Trustees


Mrs A Viney
Accounting Officer

Date: 15.12.2021 

The notes on pages 22 to 47 form part of these financial statements.

Academy Balance Sheet
As at 31 August 2021

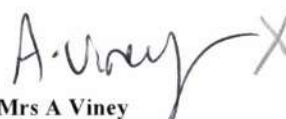
	Note	2021 £	As restated 2020 £
Fixed assets			
Tangible assets	15	3,246,923	3,255,604
Investments	16	1	1
		<u>3,246,924</u>	<u>3,255,605</u>
Current assets			
Debtors	17	253,317	255,370
Cash at bank and in hand		1,376,457	1,061,447
		<u>1,629,774</u>	<u>1,316,817</u>
Creditors: amounts falling due within one year	18	(167,819)	(184,643)
Net current assets		<u>1,461,955</u>	<u>1,132,174</u>
Total assets less current liabilities		<u>4,708,879</u>	<u>4,387,779</u>
Defined benefit pension scheme liability	25	(4,205,000)	(3,318,000)
Total net assets		<u><u>503,879</u></u>	<u><u>1,069,779</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	3,246,923	3,255,604
Restricted income funds	19	653,437	351,441
		<u>3,900,360</u>	<u>3,607,045</u>
Restricted funds excluding pension liability	19	3,900,360	3,607,045
Pension reserve	19	(4,205,000)	(3,318,000)
Total restricted funds	19	<u>(304,640)</u>	<u>289,045</u>
Unrestricted income funds	19	<u>808,519</u>	<u>780,734</u>
Total funds		<u><u>503,879</u></u>	<u><u>1,069,779</u></u>

The financial statements on pages 18 to 47 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Dr L Thompson



Mrs A Viney



Date: 15.12.2021



The notes on pages 22 to 47 form part of these financial statements.

The Academy of Woodlands
(A company limited by guarantee)

Consolidated 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	21	422,372	29,251
Cash flows from investing activities	22	(92,424)	7,302
Change in cash and cash equivalents in the year		329,948	36,553
Cash and cash equivalents at the beginning of the year		1,209,203	1,172,650
Cash and cash equivalents at the end of the year	23, 24	<u>1,539,151</u>	<u>1,209,203</u>

The notes on pages 22 to 47 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Academy of Woodlands meets the definition of a public benefit entity under FRS 102.

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

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the Consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Donations**

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

• **Other income**

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

Where applicable, all expenditure is shown inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

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

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

1.7 Tangible fixed assets

Individual assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% or 10%
Furniture and equipment	- 10%
Computer equipment	- 20%

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

1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

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

1.13 Operating leases

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

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

We consider that there has been one key area of judgement in respect of the actuarial assumptions made leading to the closing pension scheme liability:

The "**McCloud/Sargeant judgements**". These employment tribunal cases relate to all public sector pension schemes and not specifically to the academy trust. The cases relates to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material and a past service cost adjustment was made, within staff costs, in the trusts 2018/19 financial statements.

Since then a consultation has taken place. Then, on 13 May 2021, the Government issued a ministerial statement which confirms that changes will be made to the LGPS Regulations to compensate members directly affected by the change to career average benefits from 1 April 2014. The Government's intention is that revised regulations will come into force on 1 April 2023, and draft regulations are expected later in 2021.

In July 2021 the actuary has indicated that they do not believe there are any material differences between the approach underlying the estimated allowance and the proposed remedy, and therefore no further subsequent adjustment has been made.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	483	-	483	1,117
Capital grants	-	11,486	11,486	11,380
	483	11,486	11,969	12,497
<i>Analysis of 2020 by fund</i>	1,117	11,380	12,497	

Notes to the Financial Statements
For the Year Ended 31 August 2021

4. Funding for educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
DfE/ESFA grants				
General Annual Grant	-	2,564,502	2,564,502	2,415,711
Other DfE/ESFA grants				
Rates reclaim	-	13,005	13,005	13,579
Pupil Premium	-	254,206	254,206	242,076
Universal infant free school meals	-	73,008	73,008	71,932
PE and Sports Grant	-	20,770	20,770	20,470
Teachers' pay grant	-	34,180	34,180	33,584
Teachers' pension grant	-	96,579	96,579	94,895
Other DfE/ESFA grants	-	15,300	15,300	-
	-	3,071,550	3,071,550	2,892,247
Other Government grants				
Local authority - special educational needs	-	1,368	1,368	-
Local authority - Early Years	-	460,424	460,424	422,670
Other Government Revenue Grants	-	3,050	3,050	55,917
	-	464,842	464,842	478,587
Other income from educational operations	3,366	20,526	23,892	8,009
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	47,600	47,600	-
	-	47,600	47,600	-
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	37,455	37,455	65,818
	-	37,455	37,455	65,818
	3,366	3,641,973	3,645,339	3,444,661
<i>Analysis of 2020 by fund</i>	1,760	3,442,901	3,444,661	

Notes to the Financial Statements
For the Year Ended 31 August 2021

4. Funding for educational operations (continued)

Following the reclassification in the Academies Accounts Direction 2020 to 2021 of some grants received from the Department for Education and ESFA, they are now reported as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

A prior year adjustment has been raised to reduce Teachers' pay and pension grants by £33,584 and £94,895 respectively, due to these grants being double counted in the prior year.

The academy received £47.6k of funding for catch-up premium to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). Costs incurred in respect of this funding totalled £14.8k with the remaining £32.8k to be spent in 2021/22.

The academy furloughed its administration, catering, cleaning, arts & sports, nursery, technicians and wasps staff under the government's CJRS. The funding received of £37,455 relates to staff costs which are included within note 12 below as appropriate.

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Hire of facilities	60,338	-	60,338	65,976
Catering income	-	35,012	35,012	40,125
Other income from facilities and services	82,266	35,166	117,432	155,925
Trading subsidiary income	54,421	-	54,421	47,358
	<u>197,025</u>	<u>70,178</u>	<u>267,203</u>	<u>309,384</u>
Analysis of 2020 by fund	<u>227,309</u>	<u>82,075</u>	<u>309,384</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest receivable	338	338	491
	<u>491</u>	<u>491</u>	
Analysis of 2020 by fund	<u>491</u>	<u>491</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2021

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	As restated Total 2020 £
Expenditure on fundraising trading activities:					
Direct costs	49,736	-	28,579	78,315	101,443
Educational operations:					
Direct costs	2,301,095	72,197	161,269	2,534,561	2,724,433
Allocated support costs	1,024,568	187,013	159,742	1,371,323	1,269,997
	<u>3,375,399</u>	<u>259,210</u>	<u>349,590</u>	<u>3,984,199</u>	<u>4,095,873</u>
Analysis of 2020 by type as restated	<u>3,433,485</u>	<u>266,721</u>	<u>395,667</u>	<u>4,095,873</u>	

Included within "Expenditure on fundraising trading activities - direct costs" is £39,869 (2020: £41,106) of expenditure relating to the trading subsidiary activities. The breakdown of these costs is £12,488 (2020: £9,221) to staff costs and £27,381 (2020: £31,885) to other costs.

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Facilities and services expenditure	1,030	1,030	6,200
Other trading activity expenditure	168	168	19
Subsidiary expenditure	21,757	21,757	23,070
Wages and salaries	40,930	40,930	53,726
National insurance	1,524	1,524	1,702
Pension costs	7,282	7,282	7,911
Depreciation	5,624	5,624	8,815
	<u>78,315</u>	<u>78,315</u>	<u>101,443</u>
Analysis of 2020 by fund	<u>101,443</u>	<u>101,443</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2021

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Academy trust's educational operations	3,905,884	3,905,884	3,994,430
<i>Analysis of 2020 by fund as restated</i>	3,994,430	3,994,430	

10. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Academy trust's educational operations	2,534,561	1,371,323	3,905,884	3,994,430
<i>Analysis of 2020 total as restated</i>	2,724,433	1,269,997	3,994,430	

Notes to the Financial Statements
For the Year Ended 31 August 2021

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	<i>As restated</i> Total funds 2020 £
Staff costs	1,024,568	937,707
Technology costs	811	4,232
Maintenance of premises and equipment	187,013	196,346
Legal fees	13,283	1,526
Other support costs	145,648	130,186
	<u>1,371,323</u>	<u>1,269,997</u>

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	12,044	13,615
Depreciation of tangible fixed assets	119,353	110,627
Loss on disposal of fixed assets	5,837	2,731
Fees paid to auditors for:		
- audit	10,150	8,060
- other services	3,288	2,966
	<u>138,672</u>	<u>135,399</u>

Notes to the Financial Statements
For the Year Ended 31 August 2021

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2021 £	<i>Group As restated 2020 £</i>	Academy 2021 £	<i>Academy As restated 2020 £</i>
Wages and salaries	2,352,860	2,529,395	2,342,281	2,520,773
Social security costs	153,791	163,406	153,367	162,807
Pension costs	837,037	740,684	835,552	740,684
	<u>3,343,688</u>	<u>3,433,485</u>	<u>3,331,200</u>	<u>3,424,264</u>
Staff restructuring costs	31,711	-	31,711	-
	<u>3,375,399</u>	<u>3,433,485</u>	<u>3,362,911</u>	<u>3,424,264</u>

Staff restructuring costs comprise:

Redundancy payments	<u>31,711</u>	<u>-</u>	<u>31,711</u>	<u>-</u>
---------------------	---------------	----------	---------------	----------

b. Staff numbers

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

	Group 2021 No.	<i>Group 2020 No.</i>	Academy 2021 No.	<i>Academy 2020 No.</i>
Teachers	27	32	27	32
Administration and support	104	122	104	122
Management	5	3	4	3
	<u>136</u>	<u>157</u>	<u>135</u>	<u>157</u>

c. Higher paid staff

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

	Group 2021 No.	<i>Group 2020 No.</i>
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	-
In the band £110,001 - £120,000	-	1
	<u>2</u>	<u>1</u>

Notes to the Financial Statements
For the Year Ended 31 August 2021

12. Staff (continued)

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £262,726 (2020 - £282,449).

13. Trustees' remuneration and expenses

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

		2021 £	As restated 2020 £
Mr N Fiddaman, CEO, resigned 31 December 2020	Remuneration	35,000 - 40,000	110,000 - 115,000
	Pension contributions paid	5,000 - 10,000	25,000 - 30,000
Mrs K Knowles, Staff Trustee, resigned 22 March 2021	Remuneration	10,000 - 15,000	15,000 - 20,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Mrs A Viney, CEO, appointed 1 January 2021	Remuneration	45,000 - 50,000	not a trustee
	Pension contributions paid	10,000 - 15,000	not a trustee
Miss A Beer, Assistant Head Teacher	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Mrs K Browne, Staff Trustee, appointed 23 March 2021	Remuneration	5,000 - 10,000	not a trustee
	Pension contributions paid	0 - 5,000	not a trustee

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. Trustees' and Officers' insurance

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

15. Tangible fixed assets

Group

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020 (as previously stated)	2,933,787	443,303	119,969	3,497,059
Prior Year Adjustment	573,000	-	-	573,000
At 1 September 2020 (as restated)	3,506,787	443,303	119,969	4,070,059
Additions	91,093	13,155	-	104,248
Disposals	-	(70,083)	(28,626)	(98,709)
At 31 August 2021	3,597,880	386,375	91,343	4,075,598
Depreciation				
At 1 September 2020	374,196	289,978	118,463	782,637
Charge for the year	72,197	45,650	1,506	119,353
On disposals	-	(64,247)	(28,626)	(92,873)
At 31 August 2021	446,393	271,381	91,343	809,117
Net book value				
At 31 August 2021	3,151,487	114,994	-	3,266,481
At 31 August 2020 (as restated)	3,132,591	153,325	1,506	3,287,422

The prior year adjustment (above and below) relates to land at valuation which has previously not been recorded as a fixed asset. This land element of £573,000 is included within freehold property and is not depreciated.

Notes to the Financial Statements
For the Year Ended 31 August 2021

15. Tangible fixed assets (continued)

Academy

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020 (as previously stated)	2,933,787	355,174	119,969	3,408,930
Prior Year Adjustment	573,000	-	-	573,000
At 1 September 2020 (as restated)	3,506,787	355,174	119,969	3,981,930
Additions	91,093	13,155	-	104,248
Disposals	-	(38,183)	(28,626)	(66,809)
At 31 August 2021	3,597,880	330,146	91,343	4,019,369
Depreciation				
At 1 September 2020	374,196	233,667	118,463	726,326
Charge for the year	72,197	40,026	1,506	113,729
On disposals	-	(38,983)	(28,626)	(67,609)
At 31 August 2021	446,393	234,710	91,343	772,446
Net book value				
At 31 August 2021	3,151,487	95,436	-	3,246,923
At 31 August 2020 (as restated)	3,132,591	121,507	1,506	3,255,604

The Academy of Woodlands
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

16. Fixed asset investments

	Investments in subsidiary companies £
Academy	
Cost or valuation	
At 1 September 2020	1
	<hr/>
At 31 August 2021	1
	<hr/> <hr/>
Net book value	
At 31 August 2021	1
	<hr/>
At 31 August 2020	1
	<hr/> <hr/>

Principal subsidiaries

The following was a subsidiary undertaking of the Academy:

Name	Company number	Registered office or principal place of business	Principal activity
Woodlands (Primary) Academy Limited	08521673	Woodlands Road, Gillingham, Kent, ME7 2DU	Undertakes the trading activities of its charitable company parent

Holding **Included in
consolidation**

100% Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
Woodlands (Primary) Academy Limited	54,421	39,869	14,552	3,707

Notes to the Financial Statements
For the Year Ended 31 August 2021

17. Debtors

	Group 2021 £	<i>Group 2020 £</i>	Academy 2021 £	<i>Academy 2020 £</i>
Due within one year				
Trade debtors	-	186	-	186
Amounts owed by group undertakings	-	-	175,446	174,603
Other debtors	12,628	9,164	12,628	9,164
Prepayments and accrued income	65,243	71,417	65,243	71,417
	<u>77,871</u>	<u>80,767</u>	<u>253,317</u>	<u>255,370</u>

18. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Academy 2021 £	<i>Academy 2020 £</i>
Trade creditors	12,277	32,138	12,178	31,824
Other taxation and social security	39,041	41,967	39,041	41,967
Other creditors	48,725	53,279	48,725	53,279
Accruals and deferred income	70,875	60,073	67,875	57,573
	<u>170,918</u>	<u>187,457</u>	<u>167,819</u>	<u>184,643</u>
	Group 2021 £	<i>Group 2020 £</i>	Academy 2021 £	<i>Academy 2020 £</i>
Deferred income at 1 September 2020	38,733	34,924	38,733	34,924
Resources deferred during the year	19,915	38,733	19,915	38,773
Amounts released from previous periods	(38,733)	(34,924)	(38,733)	(34,924)
	<u>19,915</u>	<u>38,733</u>	<u>19,915</u>	<u>38,773</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2021-22 academic year for Universal Infant Free School Meals from the ESFA.

The Academy of Woodlands
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Statement of funds

	Restated Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
4G football pitch fund	20,000	-	-	10,000	-	30,000
General funds						
Unrestricted general funds	760,734	146,791	(38,446)	(90,560)	-	778,519
Trading company reserves	2,156	54,421	(39,869)	(13,002)	-	3,706
	762,890	201,212	(78,315)	(103,562)	-	782,225
Total Unrestricted funds	782,890	201,212	(78,315)	(93,562)	-	812,225
Restricted general funds						
General Annual GAG (GAG)	351,441	2,564,502	(2,299,724)	-	-	616,219
Other DfE/ESFA grants	-	507,048	(502,668)	-	-	4,380
Other Government Grants	-	464,842	(464,842)	-	-	-
Other activities	-	90,704	(90,704)	-	-	-
Covid catchup premium	-	47,600	(14,762)	-	-	32,838
Coronavirus Job Retention Scheme funding	-	37,455	(37,455)	-	-	-
Pension reserve	(3,318,000)	-	(382,000)	-	(505,000)	(4,205,000)
	(2,966,559)	3,712,151	(3,792,155)	-	(505,000)	(3,551,563)

Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Statement of funds (continued)

	Restated Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Fixed asset funds	3,255,604	-	(113,729)	105,048	-	3,246,923
DfE/ESFA capital grants	-	11,486	-	(11,486)	-	-
	<u>3,255,604</u>	<u>11,486</u>	<u>(113,729)</u>	<u>93,562</u>	<u>-</u>	<u>3,246,923</u>
Total Restricted funds	<u>289,045</u>	<u>3,723,637</u>	<u>(3,905,884)</u>	<u>93,562</u>	<u>(505,000)</u>	<u>(304,640)</u>
Total funds	<u>1,071,935</u>	<u>3,924,849</u>	<u>(3,984,199)</u>	<u>-</u>	<u>(505,000)</u>	<u>507,585</u>

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

The 4G football pitch has been created to set aside £10,000 per year for a 10 year period to replace the 4G football pitch. This is part of the agreement with the Football Foundation.

General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

The Other DfE/ESFA grants fund is used to track core non-GAG money received from the DfE/ESFA and connected bodies, including Pupil Premium, teachers' pay grant, teachers' pension grant, rates relief, universal infant free school meals, PE and Sports Grant.

The other government grants fund is used to track grants provided by government departments other than the DfE/ESFA and includes grants received from the Local Authority.

The other activities fund has been established to recognise all other restricted funding that cannot be classified above but fall outside the scope of its core activities.

The catch-up premium fund tracks additional Covid-related funding provided by the DfE during the year to support children and young people to catch up on missed learning caused by coronavirus.

The coronavirus job retention scheme fund is used to track the covid-related income received from the government for furloughing employees during the coronavirus pandemic.

The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward as well as the current fixed assets held.

Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Statement of funds (continued)

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

	<i>Restated Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Restated Balance at 31 August 2020 £</i>
Unrestricted funds						
Designated funds						
4G football pitch fund	-	-	-	20,000	-	20,000
General funds						
Unrestricted general funds	705,632	252,966	(58,927)	(138,937)	-	760,734
Trading company reserves	2,156	47,358	(47,358)	-	-	2,156
	707,788	300,324	(106,285)	(138,937)	-	762,890
Total Unrestricted funds	707,788	300,324	(106,285)	(118,937)	-	782,890
Restricted general funds						
General Annual GAG (GAG)	461,073	2,672,669	(2,782,301)	-	-	351,441
Other DfE/ESFA grants	-	348,057	(348,057)	-	-	-
Other Government Grants	-	478,587	(478,587)	-	-	-
Other activities	-	84,495	(84,495)	-	-	-
Pension reserve	(2,481,000)	-	(314,000)	-	(523,000)	(3,318,000)
	(2,019,927)	3,583,808	(4,007,440)	-	(523,000)	(2,966,559)

Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Statement of funds (continued)

	<i>Restated Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Restated Balance at 31 August 2020 £</i>
Restricted fixed asset funds						
Fixed asset funds	3,235,914	-	(110,627)	130,317	-	3,255,604
DfE/ESFA capital grants	-	11,380	-	(11,380)	-	-
	<u>3,235,914</u>	<u>11,380</u>	<u>(110,627)</u>	<u>118,937</u>	<u>-</u>	<u>3,255,604</u>
Total Restricted funds	<u>1,215,987</u>	<u>3,595,188</u>	<u>(4,118,067)</u>	<u>118,937</u>	<u>(523,000)</u>	<u>289,045</u>
Total funds	<u>1,923,775</u>	<u>3,895,512</u>	<u>(4,224,352)</u>	<u>-</u>	<u>(523,000)</u>	<u>1,071,935</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	19,558	-	3,246,923	3,266,481
Current assets	963,585	653,437	-	1,617,022
Creditors due within one year	(170,918)	-	-	(170,918)
Provisions for liabilities and charges	-	(4,205,000)	-	(4,205,000)
Total	<u>812,225</u>	<u>(3,551,563)</u>	<u>3,246,923</u>	<u>507,585</u>

Notes to the Financial Statements
For the Year Ended 31 August 2021

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	31,818	-	3,255,604	3,287,422
Current assets	938,529	351,441	-	1,289,970
Creditors due within one year	(187,457)	-	-	(187,457)
Provisions for liabilities and charges	-	(3,318,000)	-	(3,318,000)
Total	782,890	(2,966,559)	3,255,604	1,071,935

21. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(59,350)	(328,840)
Adjustments for:		
Depreciation	119,353	119,442
Capital grants from DfE and other capital income	(11,486)	(139,859)
Interest receivable	(338)	(491)
Defined benefit pension scheme cost less contributions payable	329,000	268,000
Defined benefit pension scheme finance cost	53,000	46,000
Decrease in debtors	2,895	104,789
Decrease in creditors	(16,539)	(42,521)
Loss on sale of fixed assets	5,837	2,731
Net cash provided by operating activities	422,372	29,251

22. Cash flows from investing activities

	Group 2021 £	Group 2020 £
Dividends, interest and rents from investments	338	491
Purchase of tangible fixed assets	(104,248)	(133,048)
Capital grants from DfE Group	11,486	139,859
Net cash (used in)/provided by investing activities	(92,424)	7,302

Notes to the Financial Statements
For the Year Ended 31 August 2021

23. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand and at bank	1,539,151	1,209,203

24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,209,203	329,948	1,539,151

25. Pension commitments

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

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

Contributions amounting to £48,445 were payable to the schemes at 31 August 2021 (2020 - £52,825) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £230,000 (2020 - £234,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £286,000 (2020 - £309,000), of which employer's contributions totalled £222,000 (2020 - £239,000) and employees' contributions totalled £64,000 (2020 - £70,000). The agreed contribution rates for future years are 21 per cent for employers, increasing to 22.5 per cent from April 2022, and 5.5 to 12.5 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.85	3.25
Rate of increase for pensions in payment/inflation	2.85	2.25
Discount rate for scheme liabilities	1.70	1.65
Inflation assumption (CPI)	2.85	2.25

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

25. Pension commitments (continued)

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.1	25.2

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(226)	(181)
Discount rate -0.1%	233	186
Mortality assumption - 1 year increase	307	226
Mortality assumption - 1 year decrease	(296)	(218)

Share of scheme assets

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

	2021 £	2020 £
Equities	2,490,000	1,994,000
Gilts	21,000	21,000
Corporate bonds	528,000	398,000
Property	391,000	339,000
Cash and other liquid assets	109,000	94,000
Other	265,000	235,000
Total market value of assets	3,804,000	3,081,000

The actual return on scheme assets was £461,000 (2020 - £208,000).

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

	2021 £	2020 £
Current service cost	(549,000)	(507,000)
Interest income	53,000	52,000
Interest cost	(106,000)	(98,000)
Administrative expenses	(2,000)	(1,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(604,000)	(554,000)

Notes to the Financial Statements
For the Year Ended 31 August 2021

25. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	6,399,000	5,138,000
Current service cost	549,000	507,000
Interest cost	106,000	98,000
Employee contributions	64,000	70,000
Actuarial losses	913,000	605,000
Benefits paid	(22,000)	(19,000)
At 31 August	8,009,000	6,399,000

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

	2021 £	2020 £
At 1 September	3,081,000	2,657,000
Interest income	53,000	53,000
Actuarial gains	408,000	82,000
Employer contributions	222,000	239,000
Employee contributions	64,000	70,000
Benefits paid	(22,000)	(19,000)
Administration expenses	(2,000)	(1,000)
At 31 August	3,804,000	3,081,000

26. Operating lease commitments

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

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Not later than 1 year	12,418	11,198	12,418	11,198
Later than 1 year and not later than 5 years	29,313	38,443	29,313	38,443
	41,731	49,641	41,731	49,641

27. Members' liability

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

28. Net movement in funds of parent company

As permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP, the individual Statement of Financial Activities of the parent company is not presented as part of these consolidated accounts. The parent company's net movement in all funds for the financial year was a decrease of £565,900 (2020 - £851,840).

The reduction in total funds for both years is influenced by transactions that do not relate to operating revenue income funds for the day-to-day running of the the academy, for example movements on the restricted fixed asset fund and Local Government Pension Scheme reserve.

The parent academy trust's revenue income funds increased by £329,781 during 2020/21 which compares to a decrease of £34,530 in the prior year.

29. Related party transactions

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

The following related party transactions took place in the financial period:

Transactions with the academy trust's subsidiary undertaking

The following disclosures are included in order to comply with s2.146 of the Academies Accounts Direction which states that related party transactions between a parent academy trust and its subsidiary must be disclosed and that academy trusts cannot take up the exemption for such disclosures usually afforded in para 33.1a of FRS 102.

During the year the academy trust recharged £14,216 of staff costs and other costs to its subsidiary undertaking.

During the year the subsidiary undertaking made gift aid donations of £13,002 (2020: £6,252) to the parent academy trust.

At 31 August 2021 the academy trust was owed £175,446 (2020: £174,603) by its subsidiary undertaking.

Employment related transactions

The daughter and daughter-in-law of trustees, A. Costidell and L. Costidell are employed by the academy trust as a teaching assistant and librarian respectively.

The partner of trustee W. Cooper is employed by the academy trust as a nursery senior.

The daughter of trustee K. Browne is employed by the academy trust as a secretary/admin officer.

The appointments of these employees were made prior to the trustees being appointed by the Academy trust and therefore had no involvement in the decision-making process regarding the appointment. They are all paid within the normal pay scales for their roles and receive no special treatment as a result of their relationships to the trustees.