
THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 3
Chairman Statement and Trustees' Report	4 - 15
Governance Statement	15 - 19
Statement on Regularity, Propriety and Compliance	20
Statement of Trustees' Responsibilities	21
Independent Auditors' Report on the Financial Statements	22 - 25
Independent Reporting Accountant's Report on Regularity	26 - 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28 - 29
Balance Sheet	30 - 31
Statement of Cash Flows	32
Notes to the Financial Statements	33 - 62

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Members

Ajmal Azam (appointed 12 May 2021)

Krishna Chinthapalli (appointed 2 March 2021)

Edward John

Margaret Waller

Peter Ward

Trustees

Jonathan Reekie, Chair

Wendy Barnett

Kathleen Higgins

Julian Ingram

Krishna Iyer

Robert Robertson

Joanne Rockall

Jamie Rockman

Paul Rowley

Salima Shariff

Company Registered Number

07899845

Company name

The Schelwood Trust

Principal and Registered Office

Northampton Avenue

Slough

Berkshire

SL1 3BW

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Company Secretary & CFO

Judith Vucic

Accounting Officer

Joanne Rockall

Senior Leadership Team

The Schelwood Trust

Karen Crump – Trust Human Resources Manager

Kathleen Higgins – Co Senior Executive Lead

Joanne Rockall – Co Senior Executive Lead and Accounting Officer

Judith Vucic – Chief Finance Officer

Beechwood School:

Brian Bowker - Deputy Headteacher

Iain Priestley – Deputy Headteacher

Kathleen Higgins – Headteacher

Kathryn Byrom – Assistant Headteacher

Karen Crump – HR Manager

Mike Gaffin – Assistant Headteacher

Herschel Grammar School:

Michael Bourne – Deputy Headteacher

Steven Devereux – Deputy Headteacher

Alison Oxley – Assistant Headteacher

Graham Parsons – Assistant Headteacher

Joanne Rockall – Headteacher

Giles Whittaker – Assistant Headteacher

Judith Vucic, School Business Manager

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Auditors

Landau Baker Limited
Chartered Accountants
Statutory Auditors
Mountcliff House
154 Brent Street
London
NW4 2DR

Bankers

Lloyds Bank plc
123 High Street
Town Centre
Slough
SL1 1EH

Solicitors

Winckworth Sherwood
Minerva House
5 Montagu Close
London
SE1 9BB

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Chair's Statement

It is a privilege to introduce this annual report as Chair of the Schelwood Trustees. We have completed a year of great challenge because of COVID-19 and the consequential changes that have been necessary to adapt the education of our young people to lockdowns and the disruption to normal lessons. I am pleased to report that our two schools have responded extremely well and have done all they could to see that our pupils and students have as professional learning experience as could be undertaken in a 'virtual' way. I therefore pay tribute to the talented team of leaders and all staff for their dedication and commitment in difficult times. The Year 11 and 13 results, as shown in this report, are an improvement on last year's achievement and these demonstrate this dedication and commitment beyond doubt.

The Covid-19 pandemic has seen many of us lose friends and loved ones. I would therefore like to first underline our thanks to all our staff, students, parents, suppliers, and their communities for their support in such demanding times. During the lockdown period both schools remained open for keyworkers and vulnerable children. We provided online lessons and learning throughout. We signed up to the National food voucher scheme to provide those entitled to free meals. Sadly, we had to furlough several of our catering staff at Herschel Grammar School, where we run our own catering facility for staff and students. I'm pleased to confirm that they are now back in our canteen. During the pandemic we have also been concerned about the mental health and wellbeing of our staff and students and we have ensured that help has been given.

At the end of the year, we said 'goodbye', through retirement, to Kathleen Higgins, Executive Headteacher at Beechwood School. Throughout her time at the school she has been dedicated to ensuring that the students had the best possible start in life. If had not been for COVID-19 and the suspension of Ofsted inspections I am sure she would have been rewarded with a much-improved Ofsted judgement for her hard work and that of her team. We have been fortunate in appointing an excellent replacement in Anita Spires and the Trustees wish her every success in these challenging times. She is assisted by a new Senior Leadership Team, following the retirement of Brian Bowker the Deputy Head.

Following the retirement of Kathleen Higgins, the Trustees took the opportunity to structure the Trust in a more traditional way by appointing Joanne Rockall to the post of Senior Executive Leader. In this role she will be responsible to the Board of Trustees for the overall running of the Trust as the senior paid executive. She will retain her role as Headteacher at Herschel Grammar School, assisted by a capable and restructured Senior Leadership Team.

The challenge of those students who need to 'catch up' after Covid-19 is very much in our mind and we have confidence that the two schools will meet this challenge to ensure that our students are not disadvantaged for their future careers.

Jonathan Reekie

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

What we believe in

Our Mission
To use the power of education to create real opportunities that transform lives
Our Vision
By 2025 the trust will be recognised locally and regionally as a highly effective MAT delivering outstanding results. This will be achieved by ensuring our young people develop the skills, qualities and attributes to enable them to pursue and enjoy successful and fulfilling lives, both professionally and personally. We believe in providing life transforming education for our young people, who come from diverse backgrounds and have a wide variety of needs. Education creates the opportunity for them to overcome social injustice, inequality and ensure social mobility.
Our Students will have a great and memorable educational experience via access to a curriculum that supports outstanding learning, development and achievement in both academia and personal development.
Our Leavers will go on into further study, training or work as confident, successful individuals well equipped to face the challenges of an ever-changing world, able to make a positive contribution to society.
Our Staff are the heart of our trust. We want to build high performing teams. They will become advocates of our trust and recommend us as a place to work.
Our Finances will be strong and sustainable with adequate reserves. Enabling us to invest in our assets and provide the resources to ensure future generations can receive an even better school experience
Our Values and Ethos
Our values and ethos are our overarching guide for all we want to achieve at The Schelwood Trust. All staff, students, Governors, Trustees and Members share a commitment to the values and ethos, and this ensures we put our young people at the heart of every decision.
Ambitious – setting high standards, taking responsibility and being accountable, with the rigour to deliver a continuous cycle of school improvement.
Improvement - We actively support our young people to strive for excellence and overcome disadvantage.
Inclusive – We love our diverse community, and we see difference as a source of strength
Respectful – for self and others, for learning achievement and opportunity, for hard work and determination and for our community and environment
Our Aims
We will work collaboratively, openly and honestly across the Trust to:
<ul style="list-style-type: none">● Ensure that all our students have access to a curriculum and educational provision that supports outstanding learning, development and achievement● Ensure that every student has the equality of opportunity to maximise their potential● Celebrate the uniqueness and diverse range of young people in each of our schools● Support our students to strive for excellence and overcome disadvantage● Support the development and training of outstanding teachers and practitioners, giving them the opportunity to excel and share best practice● Support our staff to become highly skilled professionals, whilst ensuring their well-being

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 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.

Summary

The Trust operates two secondary schools in Slough, which are Beechwood School and Herschel Grammar School. The combined capacity is 1805 and they had a roll of 1891 in the October 2020 school census.

Our schools face different challenges to achieve our overall Trust vision. Here are three examples:

	Beechwood (2020)	Herschel Grammar (2020)
Admission policy	Non-Selective	Selective
% Pupil Premium	38	10
% Free School Meals	27	6
% English as Additional Language	40	45

Despite these challenges our student's exam results were very encouraging across both schools with improvements in all areas. We recognise that this was an extraordinary year and these results were achieved by our students in the face of unique difficulties.

	Beechwood		Herschel Grammar	
	%	Change	%	Change
GCSE English and Maths 5+	33	0	97	-3
GCSE passing 2 Science 4+	61	+2	100	0
A Levels % A* - C*	71	-13	84	-7
BTEC Level 3 A* - C	44	-11	n/a	n/a
Average point score by student	111	+2	119	+6

Herschel Grammar was rated Outstanding by Ofsted in 2012 and Beechwood was rated in 2019 as 'requiring improvement'. We look forward to a new OFSTED rating that reflects the significant improvements achieved by our Beechwood team.

This past academic year has seen continued challenges of Covid-19 impacting on our schools, however the financial strain on both schools has been significantly reduced due to Covid related funding which has been received and was significantly higher than was anticipated. The increased costs borne by the schools have been covered with the Covid-19 related funding received.

Our long-term objective is still to build a mid-size Multi Academy Trust of between 5/6 schools, both primary and secondary, offering outstanding education. As the Slough area continues to expand, with improving transport links into central London through the Elizabeth line, the expansion of Heathrow airport and the growth of the M4 Tech corridor, so will the demand for excellent local schools.

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 Schelwood Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Schelwood Trust.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1-3.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

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

There are and were no qualifying third-party indemnity provisions during the financial year to which this report relates.

Method of Recruitment and Appointment or Election of Trustees

New Trustees are sought by contact with Academy Ambassadors or through recommendation of existing Members or Trustees but are appointed based on the competency/skills they will bring to the Board.

Policies and Procedures Adopted for the Induction and Training of Trustees

Most of the Trustees have many years of experience in school governance. New trustees are required to attend an induction training course, although some delays have been incurred as a result of the pandemic. Further training and development are identified in relation to the needs of new Trustees. Specific finance training for Trustees is conducted by the CFO and data training is provided by the Trust's Headteachers as well as through NGA and other governance networks.

A competency survey has been undertaken on Trustees and this identifies the range of skills/competencies they bring to the Board, as well as identifying what might be required for future appointment. This is a useful tool in the recruitment of new Trustees.

Organisational Structure

There has been no change to the structure of the Trust which operates via a:

- Trust Board,
- Finance, Audit and Risk Committee
- Appraisal and Pay Committee
- Local Governing Boards (LGBs) at the two Schools. The chairs of both LGBs are also Trustees

The Scheme of Delegation is approved by the Trustees annually. This specifies where responsibility for major decision lies. Levels of delegation are:

- **Level 1** – Trustees (Trust Board)
- **Level 2** – Committees of the Trust Board
- **Level 3** – Senior Executive Lead (from 1.9.21)
- **Level 4** – Headteacher
- During 2020/21 the Trust did not operate with one Chief Executive Officer but with two Headteachers working collaboratively. This will change for 2021/22
- Ms Joanne Rockall is the Principal Accounting Officer for the trust and the Senior Executive Lead from 1st September 2021.

Arrangements for setting pay and remuneration of key management personnel

The Appraisal and Pay Committee oversees the performance management of both the Trust and the schools' Senior Leadership Teams in accordance with the Trust's Appraisal Policy. An experienced external adviser supports the Committee to set appropriately challenging objectives for the Headteachers. From September 2021 the external advisor will work with the Committee to set objectives for the Senior Executive Lead and she will line manage the Beechwood Headteacher and set her objectives. The Committee also sets the pay for these personnel, with due regard for progress against performance management objectives and the Trust Pay Policy. This policy has been written with due regard to DfE guidance and the recruitment climate for senior and executive appointments.

Targets for the schools' Senior Leadership Teams are set by the Headteachers of their individual schools who line manage those staff. The Appraisal and Pay Committee meets on two occasions during the year and the purpose of

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

those meetings is to ensure that performance management is correctly carried out during the year and to be made aware of any members of the whole staff whose performance is a concern. At the same time, the progress of the two Headteachers with their targets are monitored.

Trade Union Facility Time

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.0025
Percentage of time spent on facility time	Number of employees
0-1%	1
1-50%	0
51-99%	0
100%	0
Percentage of pay bill spent on facility time	
Total cost of facility time	£162
Total pay bill	£8,969,985
Percentage of the total pay bill spent on facility time,	Negligible
Time spent on paid trade union activities as a percentage of total paid facility time hours	Negligible

Related parties and other connected charities and organisations

There is one 'Related Party Relationship' but no formally connected organisations. The Related Party Transaction relates to Mrs W Barnett who provides a gardening service to the Trust, but her remuneration is under £20,000.

Objectives and Activities

Objects and Aims

"To advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum. To promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants."

This is an extract from the Objects in our 2016 Articles of Association. Which helped define our mission and vision.

Our Mission
To use the power of education to create real opportunities that transform lives
Our Vision
By 2025 the trust will be recognised locally and regionally as a highly effective MAT delivering outstanding results. This will be achieved by ensuring our young people develop the skills, qualities and attributes to enable them to pursue and enjoy successful and fulfilling lives, both professionally and personally. We believe in providing life transforming education for our young people, who come from diverse backgrounds and have a wide variety of needs. Education creates the opportunity for them to overcome social injustice, inequality and ensure social mobility.

Specifically, our objectives for both our academies are:

- For Beechwood School to be a first-choice secondary school in Slough and to extend the educational opportunities for all students that come to that school. The aim is to advance Beechwood School from its present OFSTED rating as 'requires improvement' to 'good' then 'outstanding'.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

- For Herschel Grammar School to be a first-choice selective school in Slough, as a selective school, entrants must pass the 11+ test for entry to years 7-11. We aim to maintain the school's OFSTED rating of 'outstanding'

Our Aims
We will work collaboratively, openly and honestly across the Trust to:
<ul style="list-style-type: none"> • Ensure that all our students have access to a curriculum and educational provision that supports outstanding learning, development and achievement • Ensure that every student has the equality of opportunity to maximise their potential • Celebrate the uniqueness and diverse range of young people in each of our schools • Support our students to strive for excellence and overcome disadvantage • Support the development and training of outstanding teachers and practitioners, giving them the opportunity to excel and share best practice • Support our staff to become highly skilled professionals, whilst ensuring their well-being

No.	Strategic Priorities 2020/21	Targeted Areas 2020/21
1	Securing outstanding standards across the Trust and therefore outstanding achievement for all of the young people and families we serve	<ul style="list-style-type: none"> • Staff recruitment • Professional learning to ensure consistency of quality practice • Sharing resources to drive economies • Greater collaboration • Closing the gaps in educational experience and outcomes
2	Developing our structure to ensure we can secure sustainable standards and achievements	<ul style="list-style-type: none"> • Shared and centralised services • Develop Scheme of Delegation to enable seamless and effective governance work • Joint recruitment
3	Ensuring our financial management enables the sustained delivery of the resources needed to secure these standards and achievements.	<ul style="list-style-type: none"> • Financial decisions driven by securing strong student outcomes • Better integration of finance functions • Explore improvements to PFI contract • Harmonising systems whilst ensuring different challenges in different schools are recognised and respected

Evaluation

Staff recruitment for 2021/22 has been successful with both schools fully staffed in September. Although staff turnover has been higher than the previous year, this has been for legitimate reasons. The pandemic meant fewer staff moved on at the end of the 2019/20 academic year with some delaying their retirement, moving and career progression plans. The quality of staff we have recruited has also increased with teachers deciding to return to the profession and graduates seeing it as a secure career choice.

Professional development was prioritised in order for teaching became more adept at using online tools to deliver learning. There was significantly better-quality learning provided to pupils during the January lockdown period as a result of this. Support staff also had training and support to carry out their roles remotely.

Governance continued to be effective through cloud-based platforms and much more regular updates especially around the monitoring of Covid-19 risks, safeguarding and health and safety. However, site visits were limited.

The PFI contractors were held securely to account at Beechwood School particularly around health and safety.

Greater collaboration and harmonisation did not move forward at the anticipated pace not just due to the Covid restrictions, but also due to the very operational focus that was required from Senior Leaders to manage the pandemic in schools. This will be addressed in our planning for 2021/22 and is reflected in the objectives below.

We were successful in establishing a Schelwood Trust website as a platform for promoting the Trust and sharing essential documentation, successes and news. This is an excellent starting point for our 2021/22 objective to develop consistent branding and which will see the establishment of new individual schools' websites as part of the coherent marketing strategy.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

No.	Strategic Priorities 2021/22	Targeted Areas 2021/22
1	Securing outstanding standards across the Trust and therefore outstanding achievement for all of the young people and families we serve	<ul style="list-style-type: none"> • Staff recruitment • Professional learning to ensure consistency of quality practice • Sharing resources to drive economies • Greater collaboration • Closing the gaps in educational experience and outcomes
2	Developing our Trust governance and central services structures in order to secure our standards and achievement objective	<ul style="list-style-type: none"> • High quality centralised services • External quality assurance • Develop Scheme of Delegation to enable seamless and effective governance work • Harmonising systems while retaining uniqueness of both schools • Consistent branding and high-quality marketing
3	Ensuring our Trust integrated curriculum financial management enables the realisation of our standards and achievement objective	<ul style="list-style-type: none"> • Curriculum led financial planning across Trust • Financial decisions driven by securing strong student outcomes • Explore improvements to PFI contract

Public Benefit

In setting the objectives, the Trustees have considered the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education. In this regard, we run, outside of the normal school day, extensive opportunities for students who are preparing for examinations. The Headteachers are actively involved in the Slough Association of Secondary Heads (SASH), which brings together all Headteachers in Slough (both selective and non-selective) who work to benefit education across Slough. The schools are members of Teaching Schools Hub Berkshire and act as partners to both deliver and benefit from the Hub's professional development and school improvement programme. We also have a strong working relationship with the Local Authority. The community is well served by the use of the sports facilities at both schools outside of school hours and by the conference centre at Beechwood School.

As a trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities
- 6th form contribution to the community service scheme
- Sports leader programmes that provide sporting activities and events to local Primary Schools
- Young Health Champions programme co-producing local mental health and wellbeing services
- Peer mentoring scheme supporting the welfare and wellbeing of our own students
- Maths/Science support to local Primary Schools
- Music programmes by the school's choir and orchestra to the wider community such as a local Nursing Home and concerts in public places
- Providing governor and trustee support to the local SASH schools

Strategic Report

Achievements and performance

Despite the hopefully unique challenges of the year the trust is proud of the continued improvement in our overall performance. Our key measure is how well we are doing in delivering our Mission.

Our Mission
To use the power of education to create real opportunities that transform lives

Targets

Given the differences in our two schools, highlighted earlier in this report, we develop specific targets for each school.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Beechwood School

Beechwood School is a non-selective school within a selective authority. The students who attend Beechwood school are therefore not positioned to access a Grammar School considering their prior attainment/ability to secure the entry mark in the 11+ Examination. On average well over a third of students, when joining Beechwood in Year 7, have not met the expected standard at the end of Key Stage 2.

Student Progress

	Actual 2019/20	Target 20/21	Actual 2020/21
Progress 8	+0.11**	+0.23	-0.36**
Progress 8 Pupil Premium	-0.06**	+0.19	-0.63**
Attainment 8	42.26	45.94	43.51
Alps T Score	1	2	2
% Neet Key Stage 4	0%	0%	3.3%
% Neet Key Stage 5	0%	0%	3%

***Estimated as P8 cannot be calculated this year. P8 score is calculated by the software using 2019 data and therefore provides a guide only in terms of progress of students and comparison to previous years.*

GCSE Outcomes – Comparative data:

Key performance indicators - Herschel Grammar School

This is a selective school, admitting students into Year 7 based on an 11+ test which aims to select the top 30% of the cohort taking the test.

Student Progress

	Actual 2019/20	Target 2020/21	Actual 2020/21
Progress 8	+1.02**	+0.6 - +1.0	+0.7**
Progress 8 Pupil Premium	+0.7**	+0.6 - +1.0	+0.3**
Attainment 8	76.02	70.5	76
Alps T Score	2	4	4
% Neet Key Stage 4	0%	0%	0%
% Neet Key Stage 5	0%	0%	0%

***Estimated as P8 cannot be calculated this year. P8 score is calculated by the software using 2019 data and therefore provides a guide only in terms of progress of students and comparison to previous year*

GCSE Outcomes – Comparative outcomes:

	2019 Results	2020 Results	Targets	2021 Results
% English (Lit/Lang) and Maths 4+	99	100	100	100
% English (Lit/Lang) and Maths 5+	94	100	100	97
% English (Lit/Lang) and Maths 7+	61	75	60	75
% Maths 4+	99	100	100	100
% Maths 5+	96	100	100	100
% Maths 7+	79	88	75	80
% English 4+	100	100	100	100
% English 5+	97	100	100	97
% English 7+	74	79	73	70
% Passing 2 Science (4+)	99	100	100	100

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

A Level Results – Comparative outcomes:

	2019 Results	2020 Results	Targets*	2021 Results
% A* to A	39	47	40	49
% A* to B	64	74	68	70
% A* to C	83	91	85	84
% A* to E	98	100	100	99
Average point scored by Student	113	119	n/a	128
Average point score by entry	39	43	n/a	42

*ALPs targets used These are high as we use the upper of split grade targets e.g. if ALPs are B/C we use B

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.

of Covid-19 have created several challenges since March 2020 and there have been significantly adverse effects on the budget for 2019/2020.

	To 31 st August 2021 £,000's	To 31 st August 2020 £,000's
Operating Surplus before LGPS service costs	603	52
Surplus (Deficit) prior to actuarial losses on defined benefit pension scheme	(293)	(560)
Actuarial losses on defined benefit pension scheme	(458)	(848)
Net movement of funds	(751)	(1,408)
Restricted Funds	48,385	49,229
Unrestricted Income Funds	610	517

The Trust achieved an operating surplus before depreciation of £603,000 during this financial year compared with £52,000 in the previous year. The primary reasons for the increase in surplus are increased GAG income in particular for HGS following increased funding following increased pupil numbers, no losses on trading activities and additional Covid funding received which covered the increased costs the schools incurred during the year. The surplus translates into a negative movement of funds before Actuarial losses amounting to £293,000, as a result of depreciation of £586,000 and the movements between restricted and non-restricted fixed asset funds of £26,000.

Actuarial Losses on the Local Government Defined Benefit Pension Schemes amounted to £458,000, and these together with the service costs of the scheme amounting to £435,000, bring the Net Accounting Deficit on the Statement of Financial Activities to £893,000 for the year. These Actuarial Losses and service costs are a non-cash item which must be accounted for, although the liability is guaranteed by Parliament.

The Trustees monitor the operating surplus and deficit on a regular basis and believe it is a fair and appropriate measure of the Trust's financial performance. The Trustees also pay close attention to cash and working capital. Net current assets increased to £1,631,000 during the year.

Principal Source of Funding

The Trust received its main funding via the General Annual Grant (GAG) the majority of which is student led. The trust also received grants for fixed assets from the Education and Skills Funding Agency (ESFA). In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

The increased GAG and post 16 funding over the next 3 years will significantly help to build the fund balances up within the trust schools which have been depleted over the past years. The ever-increasing costs of the PFI contract, which are fixed and account for 23% of the annual expenditure for Beechwood School continue to remain a significant challenge.

A finance procedure document determines the way the Trust operates finances from day to day and this is informed by the Academy Financial Handbook issued by the ESFA.

Pension liabilities

The Local Government Pensions Scheme (LGPS) (administered by The Royal County of Berkshire Pension Fund) shows as a significant liability on the balance sheet of £5,631,000. This liability is covered by the net assets excluding pension liability of the Trust which amount £54,626,000 bringing the net asset position to £48,995,000. The liability is shown on the balance sheet but is covered by a Government guarantee as detailed in the notes to the accounts number 22.

Reserves Policy

Reserves are monitored Via the Trust's Audit, Finance & Risk Committee. They are used to improve the school's buildings stock and where possible to increase accommodation. However, a prudent policy for the use of reserves is followed in view of uncertainty about future funding and in particular the introduction of a national funding formula. The trust relies heavily on the DfE Minimum Funding Guarantee (MFG) and projected budgets over a 5 -year period show a need to hold reserves to allow the trust to down manage expenditure efficiently over a period of time as funding becomes tighter and staffing costs increase through pay rises, increased NIER costs and increased pension contributions together with inflationary pressures.

Total funds of £48,995,000 are held as of 31 August 2021. There are £48,385,000 restricted funds held (including £904,000 revenue funds) and £610,000 unrestricted (revenue) funds, which include designated funds of £100,000 at year end (£95,000 at prior year end). These designated funds are held for the replacement of the Astroturf.

The Trust has a medium-term aim of building back available revenue funds to a level that covers 1 month's running [including staff] costs. This amounts to £1,060,000 versus current revenue funds of £1,514,000. As much as the impact of Covid-19 has significantly impacted on the schools negatively in the previous year, the current financial year has seen a substantial increase in the revenue funds due to increased GAG funding received following higher pupil numbers, the Covid funding received which covered the increased costs incurred and the trade revenue having increased as the schools have put measures in place to ensure that revenue was not reduced on some of the trading activities. See Note 20 in the notes to the financial statements section below.

Investment policy

Trust Funds, surplus to day-to-day requirements, are invested with Lloyds Bank Plc. There are no social, environmental, or ethical considerations necessary to consider.

The security of any investment is paramount and will only be made once the Board of Trustees are satisfied that it does not pose a risk to the Trust and that they will be made only with institutions approved by the Board of Trustees in the context of advice from a qualified accountant. Formal approval must be obtained from the Board of Trustees to proceed with any investment.

Principal risks and uncertainties

Trustees are provided with budget forecasts over a 5-year period. These indicate possible financial pressure in the future and are based on the funding formula being static but expenditure rising through inflation, staff pay rises, an increase in national insurance contributions and further increases in pension contributions. In addition, there is still uncertainty around the introduction of a national funding formula and a reliance on the MFG. Up to now the Trust has always been able to balance expenditure against income on a yearly basis without recourse to carry forward balances. This has meant that the Trust is currently in a healthy financial position as far as carry forward balances are concerned, and these are being held in reserve for future building costs and to cushion any future budget pressures. However, it is recognised that savings in budget areas will need to be achieved in the future and this aspect of finance receives particular attention by the Board of the Trust as we go forward into 2021 and beyond. There is also an increasing deficit on the LGPS and this is reflected in our Balance Sheet. This position is kept under review.

A risk register is maintained with all the significant risks identified and this is reviewed annually.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees. There have been no fundraising complaints

Plans for Future Periods - Our long term Aims

Our long term aim to move from a collaborative executive leadership model to a single Senior Executive Lead will be realised from September 2021. This is the first step in the plan to expand over a period of time to around 5/6 schools. This will be phased so that the current core of the Trust, Beechwood and Herschel Schools, are not compromised. As we grow consideration will be given to appointing a Chief Executive Officer running the Trust as their sole role. At that stage further consideration will be given to achieving economies of scale. A series of reviews across 2021/22 including of Finance, IT and governance, will contribute to the strategic planning for this level of expansion. Despite the impact Covid-19 will have had on our community providing excellent education will continue to be our top priority and resources have been set aside in the coming budget to support our students in achieving their potential.

Funds Held as Custodian Trustee on Behalf of Others

The trust does not hold any funds as a custodian for others.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Landau Baker Limited were reappointed by Members as auditors at their meeting on 3.11.2020

The Trustees' Report was approved by order of the Board of Trustees, as the company directors, on 14 December 2021 and signed on its behalf:

Jonathan Reekie



Chair of the Board of Trustees

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The Schelwood 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 the Department for Education's governance handbook and competency framework for governance

The Board of Trustees has delegated the day-to-day responsibility to the two Headteachers, and the 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 Schelwood Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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:

Trustee	Meetings Attended	Out of a Possible
Jonathan Reekie (Chair)	5	5
Wendy Barnett	5	5
Julian Ingram	5	5
Kathleen Higgins	5	5
Krishna Iyer *	1	5
Robert Robertson	5	5
Joanne Rockall	5	5
Jamie Rockman (appt 20.09.2019)	5	5
Paul Rowley	5	5
Salima Shariff	5	5

*On Sabbatical due to pressure of work obligations

The changes to the board of Trustees during the year 2020/21 are shown on page 3. A competency audit was conducted during the year.

The Finance, Audit and Risk (FAR) Committee is a sub-committee of the main Board of Trustees. Its purpose is to scrutinise the budget for the 2 schools making up the trust for the financial year and to recommend formal acceptance by the Board of Trustees. It also monitors the budgets for the 2 schools during the year. Extensive budget projections and monitoring information is provided by our CFO, who has a degree in Accounting.

Trustees are cognisant that it is fundamental to the fulfilment of the Trust's aims that it has as clear a view as possible of the Trust's financial position looking forward. This enables it to ensure the optimal use of the resources available to further the Trusts objectives.

Experience shows that projections are accurate and the Trustees have confidence in the quality of information provided for them to make effective decisions. A 5-year projected budget is also produced, this ensures that there is effective financial planning going forward. The committee met 5 times during the year.

Attendance during the year at meetings was as follows:

FAR Members	Meetings Attended	Out of a Possible
Paul Rowley (Chair)	5	5
Wendy Barnett	5	5
Kathleen Higgins	5	5
Krishna Iyer	3*	5
Jamie Rockman	5	5
Jonathan Reekie	5	5
Robert Robertson	5	5
Joanne Rockall	5	5

*On Sabbatical due to pressure of work obligations

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money

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

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

Better Purchasing

- Undertaking a general review of contracts
- Implementing the Financial procedures approved by Trustees to ensure that an appropriate number of quotations/tenders are received before contracts are let and purchases made
- Undertaking competitive tendering where appropriate
- Generally ensuring that 'best price' applies to all purchases
- Close monitoring of the catering. The catering supplies contract was re-negotiated with more schools having joined the group resulting in better prices
- The use of specialist companies to tender for utility supplies
- Working with other schools in pooling supplies and negotiating contracts to secure better value for money
- Continuing to press the Local Authority, the DfE and the ESFA to address the affordability of the Private Finance Initiative (PFI) contract at Beechwood School.

Income Generation

- Herschel continues to look for a lettings company to organise and run lettings for the school with the aim of generating an additional source of revenue.
- Continuing to explore sourcing other avenues of financing projects within the Trust
- Continuing the practice of outsourcing each school's various services and generating a revenue stream
- Secured ESFA CIF funding for a new modern L1 fire alarm system (HGS)

Reviewing controls and Managing Risk

- Ensuring proper internal controls are in place to protect the trust's assets.
- Providing regular budget reports to budget holders and the Trust Board and the Trust FAR committee.
- Ensuring spending across the board is within the set budgets.
- Ensuring the Trust regularly reviews its risks.
- Ensured the Internal Scrutiny reports were completed for the year despite the Covid-19 restrictions on the schools.
- Ensuring new staff are appointed by the Trust and their services used across the Trust as required.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 Schelwood Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

An independent organisation has been appointed to oversee financial, and non-financial procedures, and this is known as Internal Scrutiny. The organisation ensures effective practices are followed. Both these reports and the interim audit report reveal that any issues have been resolved.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and 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. 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 Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific external audit of procedures and an independent person was appointed in accordance with the latest Academy Finance Manual. The Board of Trustees has not established a separate Audit Committee as the turnover for the Trust does not exceed £50m and audit oversight is provided by the Finance, Audit and Risk Committee.

The process of Internal Scrutiny gives advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a quarterly basis, the Responsible Officer reports to the Board of Trustees, through the Finance Audit and Risk Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Reports during the year have found no requirements for action.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

Review of Effectiveness

The Accounting Officer 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 Scrutiny
- the work of the external auditors
- the work of the CFO within the Academy Trust who has responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk Committee and no weaknesses have been identified by auditors and any found by the Internal Scrutiny reports have been actioned.

Approved by order of the members of the Board of Trustees on 14 December 2021 and signed on their behalf by:

Jonathan Reekie
Chair of the Board of Trustees



Joanne Rockall
Accounting Officer




THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the trust, or material non-compliance with the terms and conditions of funding under the Trusts 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.



Joanne Rockall
Accounting Officer
Date: 14 December 2021

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 14 December 2021 and signed on its behalf by:



Jonathan Reekie
Chair of the Board of Trustees

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SCHELWOOD TRUST

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SCHELWOOD TRUST (CONTINUED)

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SCHELWOOD TRUST (CONTINUED)

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:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired about management's own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and the Charities SORP Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

The audit engagement team analysed the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SCHELWOOD TRUST (CONTINUED)

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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 trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Carly Pinkus (Senior Statutory Auditor)



FOR LANDAU BAKER LIMITED

for and on behalf of
Landau Baker Limited
Chartered Accountants
Statutory Auditors
Mountcliff House
154 Brent Street
London
NW4 2DR

14 December 2021

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE SCHELWOOD TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 6 January 2012 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 Schelwood Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Schelwood Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Schelwood Trust's funding agreement with the Secretary of State for Education dated 1 February 2012 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 trust's income and expenditure.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE SCHELWOOD TRUST 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.

Landau Baker Limited

Reporting Accountant
Landau Baker Limited
Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 14 December 2021

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:						
Donations and capital grants	3	10	-	125	135	336
Charitable activities		-	12,198	-	12,198	10,989
Other trading activities		441	178	-	619	584
Investments	6	-	-	-	-	1
Total income		451	12,376	125	12,952	11,910
Expenditure on:						
Raising funds		12	-	-	12	26
Charitable activities	8	346	12,301	586	13,233	12,445
Total expenditure		358	12,301	586	13,245	12,471
Net income/(expenditure)		93	75	(461)	(293)	(561)
Transfers between funds	20	-	(26)	26	-	-
Net movement in funds before other recognised gains/(losses)		93	49	(435)	(293)	(561)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(458)	-	(458)	(848)
Net movement in funds		93	(409)	(435)	(751)	(1,409)
Reconciliation of funds:						
Total funds brought forward		517	(4,318)	53,547	49,746	51,155
Net movement in funds		93	(409)	(435)	(751)	(1,409)
Total funds carried forward		610	(4,727)	53,112	48,995	49,746

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

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

The notes on pages 33 to 62 form part of these financial statements.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07899845

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	15	52,995	53,470
		<u>52,995</u>	<u>53,470</u>
Current assets			
Stocks	16	1	1
Debtors	17	265	317
Cash at bank and in hand		1,840	1,102
		<u>2,106</u>	<u>1,420</u>
Creditors: amounts falling due within one year	18	(475)	(406)
Net current assets		<u>1,631</u>	<u>1,014</u>
Total assets less current liabilities		<u>54,626</u>	<u>54,484</u>
Net assets excluding pension liability		<u>54,626</u>	<u>54,484</u>
Defined benefit pension scheme liability	26	(5,631)	(4,738)
Total net assets		<u><u>48,995</u></u>	<u><u>49,746</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	20	53,112	53,547
Restricted income funds	20	904	420
		<u>54,016</u>	<u>53,967</u>
Restricted funds excluding pension asset	20	54,016	53,967
Pension reserve	20	(5,631)	(4,738)
		<u>48,385</u>	<u>49,229</u>
Total restricted funds	20	<u>48,385</u>	<u>49,229</u>
Unrestricted income funds	20	610	517
		<u>48,995</u>	<u>49,746</u>
Total funds		<u><u>48,995</u></u>	<u><u>49,746</u></u>

The financial statements on pages 28 to 62 were approved by the Trustees, and authorised for issue on 14 December 2021 and are signed on their behalf, by:

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07899845

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021



Jonathan Reekie
Chair of the Board of Trustees

The notes on pages 33 to 62 form part of these financial statements.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	<i>2020</i> <i>£000</i>
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	724	<i>(179)</i>
Cash flows from investing activities	23	14	<i>(29)</i>
Change in cash and cash equivalents in the year		738	<i>(208)</i>
Cash and cash equivalents at the beginning of the year		1,102	<i>1,310</i>
Cash and cash equivalents at the end of the year	24, 25	1,840	<i>1,102</i>

The notes on pages 33 to 62 form part of these financial statements

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, 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.

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

1.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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**

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Interest receivable

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- Buildings - over the estimated lives of the components. Land is not depreciated
Long-term leasehold property	- 125 years
Furniture and equipment	- 5 years
Plant and machinery	- 5 years

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

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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

1.12 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement 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. Cash at bank is classified as a basic financial instrument and is measured at face value.

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.

1.13 Pensions

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

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.13 Pensions (continued)

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

1.14 Fund accounting

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

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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Donations	10	-	10	19
Capital grants	-	125	125	317
	<hr/> 10	<hr/> 125	<hr/> 135	<hr/> 336
<i>Total 2020</i>	<hr/> <hr/> 19	<hr/> <hr/> 317	<hr/> <hr/> 336	

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

4. Funding for the academy trust's educational activities

	Restricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
DfE/ESFA grants			
GAG	10,920	10,920	10,017
Other DfE/ESFA grants			
Pupil premium	298	298	295
Others	609	609	534
	-	11,827	10,846
Other Government grants			
Local authority grants	142	142	122
	142	142	122
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	117	117	-
Other DfE/ESFA Covid-19 funding	86	86	-
	203	203	-
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	15	15	21
Other Covid-19 funding	11	11	-
	26	26	21
	12,198	12,198	10,989

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

The academy trust received £117,080 of funding for catch-up premium and costs incurred in respect of this funding totalled £117,080.

The academy furloughed some of its catering staff under the government's CJRS. The funding received of £15,434 (2020: £20,821) relates to staff costs in respect of 6 staff which are included within support costs, as appropriate.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Catering income	-	118	118	174
Transport income	428	-	428	250
Lettings income	13	-	13	40
Other income	-	60	60	120
	<u>441</u>	<u>178</u>	<u>619</u>	<u>584</u>
<i>Total 2020</i>	<u>269</u>	<u>315</u>	<u>584</u>	

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Bank interest	-	-	1

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

7. Expenditure

	Staff Costs	Premises	Other	Total	<i>Total</i>
	2021	2021	2021	2021	<i>2020</i>
	£000	£000	£000	£000	<i>£000</i>
Expenditure on raising voluntary income:					
Direct costs	-	-	12	12	26
Educational activities:					
Direct costs	7,893	-	851	8,744	8,198
Allocated support costs	1,436	2,237	817	4,490	4,247
	<u>9,329</u>	<u>2,237</u>	<u>1,680</u>	<u>13,246</u>	<u>12,471</u>
<i>Total 2020</i>	<u>8,798</u>	<u>2,117</u>	<u>1,556</u>	<u>12,471</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted	Restricted	Total	<i>Total</i>
	funds	funds	funds	<i>funds</i>
	2021	2021	2021	<i>2020</i>
	£000	£000	£000	<i>£000</i>
Educational activities	346	12,887	13,233	12,445
	<u>346</u>	<u>12,887</u>	<u>13,233</u>	<u>12,445</u>
<i>Total 2020</i>	<u>245</u>	<u>12,200</u>	<u>12,445</u>	

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Educational activities	8,744	4,489	13,233	12,445
<i>Total 2020</i>	<u>8,198</u>	<u>4,247</u>	<u>12,445</u>	

Analysis of direct costs

	Educational activities 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Staff costs	7,670	7,670	7,188
Educational supplies	364	364	296
Examination fees	163	163	168
Staff development	22	22	28
Supply teaching costs	223	223	240
Recruitment and support	51	51	67
Technology costs	251	251	211
	<u>8,744</u>	<u>8,744</u>	<u>8,198</u>

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Pension finance cost	74	74	63
Staff costs	1,075	1,075	1,076
Depreciation	586	586	572
Bad debt expense	(4)	(4)	32
Maintenance of premises and equipment	167	167	163
Cleaning	141	141	130
Rent and rates	85	85	81
Insurance	35	35	38
Security and transport	343	343	242
Catering	164	164	169
Other support costs	137	137	153
Energy	303	303	243
PFI Unitary and management charges	978	978	946
Non-cash pension costs	361	361	294
Governance costs	45	45	45
	4,490	4,490	4,247
	4,490	4,490	4,247

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and staff costs note 11a have been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	<i>2020</i>
	£000	<i>£000</i>
Operating lease rentals	10	6
Depreciation of tangible fixed assets	586	572
Fees paid to auditors for:		
- audit	12	12
- other services	1	2
	=====	=====

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	<i>2020</i>
	£000	<i>£000</i>
Wages and salaries	6,684	<i>6,303</i>
Social security costs	703	<i>662</i>
Pension costs	1,359	<i>1,299</i>
	8,746	<i>8,264</i>
Supply teaching costs	222	<i>240</i>
LGPS costs	361	<i>294</i>
	9,329	<i>8,798</i>

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and staff costs note 11a have been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

b. Staff numbers

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

	2021	<i>2020</i>
	No.	<i>No.</i>
Teachers	109	<i>108</i>
Administration and support	61	<i>64</i>
Management	13	<i>13</i>
	183	<i>185</i>

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

11. Staff (continued)

c. Higher paid staff

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

	2021	<i>2020</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	6	<i>5</i>
In the band £70,001 - £80,000	3	<i>4</i>
In the band £80,001 - £90,000	1	<i>-</i>
In the band £120,001 - £130,000	1	<i>2</i>
In the band £130,001 - £140,000	1	<i>-</i>
	13	<i>11</i>

d. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1-3 . The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,374,147 (*2020 £1,218,163*).

12. Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

13. Related Party Transactions- Trustees' remuneration and expenses

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

		2021	<i>2020</i>
		£000	<i>£000</i>
Ms J Rockall	Remuneration	130 - 135	<i>125 - 130</i>
	Pension contributions paid	30 - 35	<i>30 - 35</i>
Miss K M Higgins	Remuneration	125 - 130	<i>125 - 130</i>
	Pension contributions paid	30 - 35	<i>25 - 30</i>

During the year, retirement benefits were accruing to 2 Trustees (*2020 - 2*) in respect of defined benefit pension schemes.

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,800,000 on any one claim and the cost for the year ended 31 August 2021 was £1,225 (2020 - £1,225). The cost of this insurance is included in the total insurance cost.

15. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Assets under constructio n £000	Plant and machinery £000	Furniture and equipment £000	Total £000
Cost or valuation						
At 1 September 2020	30,149	25,839	123	318	12	56,441
Additions	63	-	-	48	-	111
Transfers between classes	123	-	(123)	-	-	-
At 31 August 2021	<u>30,335</u>	<u>25,839</u>	<u>-</u>	<u>366</u>	<u>12</u>	<u>56,552</u>
Depreciation						
At 1 September 2020	1,908	810	-	241	12	2,971
Charge for the year	326	206	-	54	-	586
At 31 August 2021	<u>2,234</u>	<u>1,016</u>	<u>-</u>	<u>295</u>	<u>12</u>	<u>3,557</u>
Net book value						
At 31 August 2021	<u><u>28,101</u></u>	<u><u>24,823</u></u>	<u><u>-</u></u>	<u><u>71</u></u>	<u><u>-</u></u>	<u><u>52,995</u></u>
At 31 August 2020	<u><u>28,241</u></u>	<u><u>25,029</u></u>	<u><u>123</u></u>	<u><u>77</u></u>	<u><u>-</u></u>	<u><u>53,470</u></u>

Freehold property includes land at a value of £5,000,000 which is not depreciated.

The academy trust, on the conversion and inclusion of Beechwood School, was gifted the leasehold title to the property on which that school operates. This was professionally valued at the date of conversion at £25,838,540 and is depreciated over the life of the lease. The academy trust is committed to a PFI agreement to provide the buildings and services on this site until 31 August 2035.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

16. Stocks

	2021	<i>2020</i>
	£000	<i>£000</i>
Catering supplies	1	<i>1</i>
	=====	<i>=====</i>

17. Debtors

	2021	<i>2020</i>
	£000	<i>£000</i>
Due within one year		
Trade debtors	37	<i>47</i>
Other debtors	71	<i>211</i>
Prepayments and accrued income	157	<i>59</i>
	=====	<i>=====</i>
	265	<i>317</i>
	=====	<i>=====</i>

18. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£000	<i>£000</i>
Trade creditors	6	<i>4</i>
Other taxation and social security	178	<i>161</i>
Accruals and deferred income	291	<i>241</i>
	=====	<i>=====</i>
	475	<i>406</i>
	=====	<i>=====</i>

	2021	<i>2020</i>
	£000	<i>£000</i>
Deferred income at 1 September 2020	137	<i>108</i>
Resources deferred during the year	168	<i>137</i>
Amounts released from previous periods	(137)	<i>(108)</i>
	=====	<i>=====</i>
	168	<i>137</i>
	=====	<i>=====</i>

At the balance sheet date the academy trust was holding funds received in advance for the year 2021/2022.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

19. Financial instruments

	2021	<i>2020</i>
	£000	<i>£000</i>
Financial assets		
Financial assets measured at fair value through income and expenditure	1,840	<i>1,102</i>

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

20. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
Designated funds						
Designated Funds - all funds	95	-	-	10	-	105
General funds						
General Funds - all funds	422	452	(359)	(10)	-	505
Total Unrestricted funds	517	452	(359)	-	-	610
Restricted general funds						
Restricted Funds - all funds	420	-	-	-	-	420
GAG	-	10,920	(10,410)	(26)	-	484
Pupil premium	-	298	(298)	-	-	-
Other ESFA funding	-	609	(609)	-	-	-
LA and other government funding	-	142	(142)	-	-	-
Catch-up premium	-	117	(117)	-	-	-
Other DfE/ESFA Covid-19 funding	-	86	(86)	-	-	-
Coronavirus Job Retention Scheme grant	-	15	(15)	-	-	-
Other Covid-19 funding	-	11	(11)	-	-	-
Other income	-	178	(178)	-	-	-
Pension reserve	(4,738)	-	(435)	-	(458)	(5,631)

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

20. Statement of funds (continued)

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
	(4,318)	12,376	(12,301)	(26)	(458)	(4,727)
Restricted fixed asset funds						
Class II Restricted Funds - all funds	53,547	125	(586)	26	-	53,112
Total Restricted funds	49,229	12,501	(12,887)	-	(458)	48,385
Total funds	49,746	12,953	(13,246)	-	(458)	48,995

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

All funds originated from assets gifted by the predecessor school. In addition:

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Designated funds are held for replacement of the AstroTurf.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
Unrestricted funds						
Designated funds						
Designated Funds - all funds	90	-	-	5	-	95
General funds						
General Funds - all funds	409	288	(270)	(5)	-	422
Total Unrestricted funds	499	288	(270)	-	-	517
Restricted general funds						
GAG	520	10,017	(9,983)	(134)	-	420
Pupil premium	-	295	(295)	-	-	-
Other ESFA funding	-	534	(534)	-	-	-
LA and other government funding	-	143	(143)	-	-	-
Catch-up premium	-	315	(315)	-	-	-
Pension reserve	(3,533)	-	(357)	-	(848)	(4,738)
	(3,013)	11,304	(11,627)	(134)	(848)	(4,318)
Restricted fixed asset funds						
Class II Restricted Funds - all funds	53,668	317	(572)	134	-	53,547

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

20. Statement of funds (continued)

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
Total Restricted funds	50,655	11,621	(12,199)	-	(848)	49,229
Total funds	51,154	11,909	(12,469)	-	(848)	49,746

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	<i>2020</i>
	£000	<i>£000</i>
Herschel Grammar School	436	<i>3</i>
Beechwood School	1,078	<i>934</i>
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,514	<i>937</i>
Restricted fixed asset fund	53,112	<i>53,547</i>
Pension reserve	(5,631)	<i>(4,738)</i>
	<hr/>	<hr/>
Total	48,995	<i>49,746</i>
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	<i>Total 2020 £000</i>
Herschel Grammar School	4,064	658	436	1,021	6,179	<i>5,803</i>
Beechwood School	3,829	417	417	1,382	6,045	<i>5,737</i>
Local Government Pension costs	-	-	-	435	435	<i>359</i>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	7,893	1,075	853	2,838	12,659	<i>11,899</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	52,995	52,995
Current assets	610	1,379	117	2,106
Creditors due within one year	-	(475)	-	(475)
Provisions for liabilities and charges	-	(5,631)	-	(5,631)
Total	610	(4,727)	53,112	48,995

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Restricted fixed asset funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Tangible fixed assets	-	-	53,470	53,470
Current assets	517	826	77	1,420
Creditors due within one year	-	(406)	-	(406)
Provisions for liabilities and charges	-	(4,738)	-	(4,738)
Total	517	(4,318)	53,547	49,746

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

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

	2021	<i>2020</i>
	£000	<i>£000</i>
Net expenditure for the year (as per Statement of Financial Activities)	(293)	<i>(561)</i>
Adjustments for:		
Depreciation	586	<i>572</i>
Capital grants from DfE and other capital income	(125)	<i>(317)</i>
Interest receivable	-	<i>(1)</i>
Defined benefit pension scheme cost less contributions payable	358	<i>291</i>
Defined benefit pension scheme finance cost	74	<i>63</i>
Decrease in debtors	52	<i>137</i>
Increase/(decrease) in creditors	69	<i>(366)</i>
Defined benefit pension scheme administration expenses	3	<i>3</i>
Net cash provided by/(used in) operating activities	724	<i>(179)</i>

23. Cash flows from investing activities

	2021	<i>2020</i>
	£000	<i>£000</i>
Dividends, interest and rents from investments	-	<i>1</i>
Purchase of tangible fixed assets	(111)	<i>(347)</i>
Capital grants from DfE Group	125	<i>317</i>
Net cash provided by/(used in) investing activities	14	<i>(29)</i>

24. Analysis of cash and cash equivalents

	2021	<i>2020</i>
	£000	<i>£000</i>
Cash in hand and at bank	1,840	<i>1,102</i>
Total cash and cash equivalents	1,840	<i>1,102</i>

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

25. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	1,102	738	1,840
	<u>1,102</u>	<u>738</u>	<u>1,840</u>

26. Pension commitments

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

26. 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 £1,150,404 (2020 - £1,131,378).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £322,000 (2020 - £319,000), of which employer's contributions totalled £243,000 (2020 - £240,000) and employees' contributions totalled £ 79,000 (2020 - £79,000). The agreed contribution rates for future years are 20.6 per cent for employers and between 5.5 and 12.5 per cent for employees.

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

26. Pension commitments (continued)

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.3	21.6
Females	24.0	24.2
<i>Retiring in 20 years</i>		
Males	22.6	23.0
Females	25.4	25.6

Sensitivity analysis

Royal County of Berkshire Pension Fund

	2021	2020
	£000	£000
Discount rate +0.1%	207	173
Discount rate -0.1%	212	177
Mortality assumption - 1 year increase	383	295
Mortality assumption - 1 year decrease	368	284
CPI rate +0.1%	185	118
CPI rate -0.1%	180	150

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

26. Pension commitments (continued)

Share of scheme assets

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

	2021	<i>2020</i>
	£000	<i>£000</i>
Equities	2,266	<i>1,789</i>
Corporate bonds	662	<i>401</i>
Property	438	<i>435</i>
Cash and other liquid assets	77	<i>290</i>
Target Return Portfolio	162	<i>94</i>
Commodities	-	<i>11</i>
Infrastructure	318	<i>224</i>
Longevity Insurance	(209)	<i>(181)</i>
Total market value of assets	3,714	<i>3,063</i>

The actual return on scheme assets was £334,000 (*2020 - £70,000*).

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

	2021	<i>2020</i>
	£000	<i>£000</i>
Current service cost	(601)	<i>(531)</i>
Interest income	51	<i>54</i>
Interest cost	(125)	<i>(117)</i>
Administrative expenses	(3)	<i>(3)</i>
Total amount recognised in the Statement of Financial Activities	(678)	<i>(597)</i>

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

26. Pension commitments (continued)

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

	2021	<i>2020</i>
	£000	<i>£000</i>
At 1 September	7,801	<i>6,309</i>
Current service cost	601	<i>531</i>
Interest cost	125	<i>117</i>
Employee contributions	79	<i>79</i>
Actuarial losses	792	<i>776</i>
Benefits paid	(53)	<i>(11)</i>
At 31 August	9,345	<i>7,801</i>

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

	2021	<i>2020</i>
	£000	<i>£000</i>
At 1 September	3,063	<i>2,776</i>
Interest income	51	<i>54</i>
Actuarial gains/(losses)	334	<i>(72)</i>
Employer contributions	243	<i>240</i>
Employee contributions	79	<i>79</i>
Benefits paid	(53)	<i>(11)</i>
Administrative expenses	(3)	<i>(3)</i>
At 31 August	3,714	<i>3,063</i>

27. Operating lease commitments

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

	2021	<i>2020</i>
	£000	<i>£000</i>
Not later than 1 year	10	<i>-</i>
Later than 1 year and not later than 5 years	10	<i>-</i>
	20	<i>-</i>

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

28. Other financial commitments

The academy trust is committed to a PFI agreement to provide the buildings and services on which one of the academies carries out its operations until 31 August 2035. The payment due within 1 year is £537,365 in respect of delegated funding (2020: £524,258). The amount due between 1 and 5 years is £2,895,180 (2020: £2,824,566), and the balance of £5,444,158 (2020: £6,057,137) is due after 5 years.

29. Members' liability

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

30. Related party transactions

Owing to the nature of the academy trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

31. Agency arrangements

The academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the Trust received £38,837 (2020: £37,339) and disbursed £37,654 (2020: £39,271) from the fund. An amount of £1,183 (2020: £nil) is included in other creditors relating to undistributed funds that are repayable to the ESFA.