

Company Registration Number: 07630164 (United Kingdom)

**WEST SOMERSET ACADEMIES TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	L Baker N Mouzouri E Gregory K Tucker
<b>Trustees</b>	S Brown, Chair of Trustees P Rushforth, Chief Executive Officer H Lake, Vice Chair of Trustees <sup>2</sup> J Bellamy <sup>1</sup> J Ewen A Giles <sup>1,2</sup> A Kingston-James <sup>2</sup> F Miller <sup>2</sup> K Tucker <sup>2</sup> C Wood <sup>1</sup>  <sup>1</sup> Finance & Audit <sup>2</sup> Standards & Assessment Committee
<b>Company registered number</b>	07630164
<b>Company name</b>	West Somerset Academies Trust
<b>Principal and registered office</b>	Minehead Middle School Ponsford Road Minehead Somerset TA24 5RH
<b>Company secretary</b>	Barbara O'Keefe
<b>Chief executive officer</b>	Paul Rushforth
<b>Senior management team</b>	*Paul Rushforth, Chief Executive Officer *Barbara O'Keefe, Chief Operations Officer (resigned 31st December 2020) Dan Hartley, Headteacher Janine Donovan, Headteacher Adam Evans, Headteacher Emma Murch, Director of Early Years Sebastian Crossley, Executive SENCO *Trudy Danby, Chief Operations Officer (appointed 1st January 2021)
<b>*Key management personnel for the purpose of disclosure in the accounts.</b>	
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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<b>Bankers</b>	Lloyds Bank 23 Fore Street Williton Taunton TA4 4QF
<b>Solicitors</b>	Browne Jacobson

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates two middle school and four first school academies in West Somerset. Its academies have a combined pupil capacity of 1,736 and had a roll of 1,603 in the school census in October 2020.

Minehead First School and Old Cleeve First School have a 3 – 9 years old age range and operate term time nurseries from their school sites. The Trust also operates two 0- 4 year old nurseries that operate on an all year round basis – King Edward Road nursery in Minehead and St Peter's Nursery in Williton.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust was incorporated on 1st May 2016 and 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 West Somerset Academies Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as West Somerset Academies Trust.

Details of the Trustees who served throughout the period, and to the date the accounts are approved are included in the Reference and Administration Details.

**Trustees' Liability**

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a Trustee.

**Relevant union officials**

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

Total cost of facility time	-
Total pay bill	<b>£7,775,397</b>

Percentage of total pay bill spent on facility time	-	%
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**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

**Method of recruitment and appointment or election of Trustees**

On 1st May 2016 the West Somerset Academies Trust was established.

The Academy Trust has the following Trustees as set out in its Articles of Association and funding agreement:

- up to 12 Trustees who are appointed by members
- up to 3 Trustees who are appointed by the Diocese of Bath & Wells, provided that the total number of these Trustees would not exceed 50% of the total number of Trustees.
- up to 3 Parent Trustees who are elected by Parents of registered pupils at the Academies
- Staff Trustees: members shall ensure that the total number of Trustees (including the Chief Executive Officer) who are employees of the Company does not exceed one third of the total number of Trustees
- up to 2 Community Trustees who are appointed by the Trustee Board.
- the Chief Executive Officer

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

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

**Policies and Procedures adopted for the Induction and Training of Trustees**

The Academy Trust has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees. The Trust buys in support from the Local Authority Governor Services Team.

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

**Organisational Structure**

The West Somerset Academies Trust Board of Trustees normally meets eight times per annum. The Board establishes an overall framework for the governance of the Academy Trust and through its Scheme of Delegation determines membership, terms of reference and procedures of Local Governing Bodies and Academic Board. It receives reports for ratification and monitors the activities of the Local Governing Bodies and Academic Board. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Board has agreed a governance structure and associated Scheme of Delegation.

During 2020/21 the following committees were in place:

Finance, Audit & Risk Committee, this meets at least three times a year and is responsible for:

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

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- Monitoring, evaluating and reviewing policy and performance in relation to financial management
- Compliance with reporting and regulatory requirements and receiving reports from the Responsible Officer/internal auditor
- Scrutinising and challenging the draft annual budget including staffing levels.
- Monitoring and reviewing risk management across the Trust.

Standards & Assessment Committee, this meets at least three times a year and is responsible for:

- Support the monitoring of the Trust improvement plan
- Monitor and evaluate pupil performance data throughout the year
- Consider and approve self-evaluation information
- Monitor trust developments and promotion of links with parents and the local community

The following decisions are reserved to the Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its structure,
- to appoint or remove the Chairman and/or Vice Chairman,
- to appoint the Chief Executive Officer, Chief Operations Officer and Clerk to the Trustees
- to approve the budget.

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

The Board of Trustees has devolved responsibility for day to day management of the Academy Trust to the Chief Executive Officer (CEO), Chief Operations Officer (COO) and Academic Board (Senior Leadership Team). The CEO and COO ensure that individual academies implement the policies as laid down by the Trustees and report back to them on performance.

The Trust has a Governance and leadership structure which consists of the Trustees, CEO, COO and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team (SLT) consists of the Academy Headteachers and Trust Advisory staff. The Headteachers manage their academies at an executive level, implementing the policies laid down by the Trustees and reporting back to them. Budget holders are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation.

The CEO is the Accounting Officer.

**Arrangements for setting pay and remuneration of key management personnel**

The members of the senior leadership team, as identified on Page 1, comprise the key management personnel of each academy in charge of directing and controlling, running and operating the Trust on a day to day basis.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

In 2020/21 the pay of key management personnel was based on recommended national pay scales with an element of performance related pay.

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

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**Related Parties and other Connected Charities and Organisations**

There are no related parties which either control or significantly influence the decisions and operations of the West Somerset Academies Trust. There are no sponsors or formal Parent Teacher Associations associated with the Trust.

**Engagement with employees (including disabled persons)**

The Trust engages with their employees through a range of means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Carrying out staff wellbeing surveys and acting on issues raised
- Regular updates to all staff, via weekly CEO updates and newsletters

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

**Objectives, Strategies and Activities**

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

The principal object and activity of the Charitable Company is the operation of the West Somerset Academies Trust to provide free education and care for pupils of different abilities.

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

**Core aims**

- To provide world class education for the children of West Somerset.
- To raise standards, at every level to above the National Average.
- To develop excellence in teaching, leadership and governance.
- To provide stability for the schooling system of West Somerset.
- To be relentless in our pursuit of school improvement and adopt a 'no excuses' approach
- To prepare our children for a lifetime of learning

**Core beliefs**

- We put the individual child at the centre of our thinking.
- We believe in the development of good character.
- We believe in the highest standards of academic development.
- We believe it is our task to inspire self-denying good will in our schools and communities.
- We believe teachers are also learners and we will learn from each other to ensure the best impact on our pupils

**How we operate**

- We will always be honest and kind with each other but won't hide from conflict.
- We will have the highest expectations of ourselves and each other.
- Effective communication will be at the core of how we operate.
- We will celebrate the identity and character of each individual school within the Trust
- We will maintain and celebrate the Christian distinctiveness of the Church Schools within our Trust
- We will monitor progress and performance in a number of different ways at key points in the academic year.
- We will share good practice and resources whenever possible.

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



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

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**Objectives, Strategies and Activities**

Key priorities for the year are contained in our Trust Improvement Plan. Improvement focuses identified for this year include:

- Effective succession planning for CEO and COO posts
- Year 1 phonics screening check outcomes for pupils in the Trust will remain above national average.
- At the end of Year 8, outcomes remain above national average in reading (100) and mathematics
- 65% (above National Average) of children in KS2 will be ARE in reading and writing and maths.
- Ensure that robust financial planning addresses individual academies deficits and protects Trust reserves.

Key activities and targets were identified in the Trust Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- External reviews of Trust Academies
- Review of staffing levels in the light of budgetary pressures.
- Further development of operational systems to support administration and communication.
- Development and embedding of key financial and administrative procedures

**Public Benefit**

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

The Trust aims to advance for the public benefit, education in West Somerset in particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools and offering a broad curriculum.

Across its schools the Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

**Number on roll and admissions**

The Trust is in its fifth year of operation and has maintained a steady number on roll, 1,603 in the school census in October 2020. Across the six schools and four nurseries WSAT provides care and education to 0 – 13 year olds. Pupils in our schools are admitted in line with the Trust Admissions Policy, children are not selected by ability or aptitude; the Trust Admissions policy outlines the criteria for admission.

**Performance**

WSAT has clear strategic vision, values, and priorities – and these are clearly set out in the Trust Improvement Plan and are understood by our main stakeholders.

Unfortunately, the continuation of COVID has made it increasingly difficult to measure academic performance, in terms of data. However, the Trust utilised GL Testing to assess all school children and identify learning gaps; this information has been used to inform learning plans, for individual children and wider cohorts.

The Trust has made significant investment in Information Technology to support the children in our care e.g., the purchase of Chromebooks. The purchase of these devices has been of real benefit in supporting home learning, particularly for vulnerable children who may not have access in their homes.

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

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**Staff Performance and Training**

Trustees appreciate the staff employed by the Trust and all that they do to support the children in our care. The Board recognises that an effective appraisal process acknowledges the contribution of teaching and support staff, the work that they do and helps them understand how their role contributes to improving outcomes for children/pupils and to the Trust's overall vision. Trustees believe that our formal appraisal process helps improve outcomes for children/pupils and raise the morale of teachers - by motivating teachers to update their skills and improve their performance.

Staff across the Trust have continued to benefit from training sessions funded by the West Somerset Opportunities Area. Our schools have common INSET Days, which support coordinated Continuing Professional Development across our staff body.

**Governance**

A clear Scheme of Delegation is in place, it outlines the key roles, responsibilities, and accountabilities of those holding key governance and leadership positions.

Trustees and local governors have continued to develop and improve their skills, through engaging in a wide range of online governance training during 2020/21 – sessions delivered by Somerset Governor Services and the Diocese of Bath & Wells. Trustees recognise the importance of developing and improving governor/trustees' skills sets – to support governance challenge and support.

**Estates and Premises Improvement**

During the year the Trust has delivered two major capital refurbishment projects (CIF funded [projects]):

- Roof replacement/refurbishment at Minehead Middle School (£800k)
- Roof replacement/refurbishment at Minehead First School (£480k)

These capital programmes significantly improved our building stock and the learning environment for the children in our care.

**Key Performance Indicators**

	Target (based on benchmarking data)	Actual
Pupil to teacher ratio	20.6	19.08
Teaching to non-teaching staff ratio	0.8	0.6
Student attendance %	76%	78%
Total GAG per pupil	£4,498	£4,498
Staff costs per pupil	£4,816	£5,241
Total learning resources costs per pupil	£223	£237
Technology costs per pupil	£79	£124
Property repair costs per pupil	£117	£120

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

## **FINANCIAL REVIEW**

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2021, the Academy received total income of £11,416,996 and incurred total expenditure of £11,435,125. The excess of expenditure over income for the year was £18,129.

At 31 August 2021 the net book value of fixed assets was £12,986,842 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were professionally valued at £12,077,274 Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Trust leadership, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

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

### **Reserves Policy**

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

The reserves policy has taken account of future funding forecasts.

It is the policy of our Trust to ensure that there is an appropriate level of reserve which will enable the Trust to respond to the demands of major equipment/resource cyclical replacement and any unforeseen contingencies.

Trustees have previously determined that an ideal base level for reserve should be in line with one month's expenditure across the Trust. The actual level of free reserves at the year end excluding the fixed asset and pension reserve was £692,527.

Taking this into account Trustees have decided to restrict the designation of any reserves against specific expenditure areas in 2021/22 - £37,500 will be designated as the Trust contribution to a CIF roofing project at Danesfield Middle School. Other expenditure will be in line with the annual budget as agreed by Trustees.

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

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Specific strategies that have been put in place to reduce in year deficits include: extending shared Headships across our schools, restructuring of nursery models to reduce staffing costs; introducing mixed year classes in our first schools, redeploying Teaching assistants across settings and restricting the use of external supply cover across all settings. The Trust Board has agreed a five-year financial plan which will increase the level of reserve, to better support financial sustainability; trustees keep this plan under review on an ongoing basis.

Future reserves levels will be built up through close monitoring of the costs and income of the Trust and attempting to make cost savings on the budget throughout the financial year.

**Investment Policy**

All funds surplus to immediate requirements are invested to optimal effect. Following regular investigation to achieve best value and maximise return, we have determined that our current arrangements work well and attract the same rate of interest as many other providers. We therefore retain our account with Lloyds bank as they provide a high level of service delivery which meets our current needs.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Principal Risks and Uncertainties**

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

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

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 90% of the Trust's incoming resources were ultimately Government funded and this level is expected to reduce and put the Trust under increasing financial pressure. The financial impact of COVID cannot yet be fully assessed, but ongoing budgets take account of some additional COVID related expenditure.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review this area to ensure that robust operating systems and procedures are in place to mitigate these risks.

Reputational - the continuing success of the Trust is dependent on continuing to attract children to our schools in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that children's success and achievement are closely monitored and reviewed and that learning environments and resources are maintained to a high standard.

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

Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Recruitment of high-quality staff who demonstrate enthusiasm for teaching and learning is a key area and therefore the Trust will continue to ensure that the staff employed are the best for the Trust, cost is not always the deciding factor in the recruitment process.

Fraud and mismanagement of funds - the Trust has appointed a Responsible Officer (the Local Authority Education Finance Team) to carry out checks on financial systems and records as required by the Academy Financial Handbook. All Trust finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. The Trust has continued to strengthen its risk management

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

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process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**FUNDRAISING**

The Trust did not engage in any formal fundraising activities in 2020/21.

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**PLANS FOR FUTURE PERIODS**

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Following the notification of a successful capital funding bid, the Trust will commence a major roofing replacement project at Danesfield Middle School.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

West Somerset Academies Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

**AUDITOR**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office; a resolution to appoint Auditors for 2021/22 will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on \_\_\_\_\_ and signed on the board's behalf by:



**S Brown**  
Chair of Trustees

GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021

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**SCOPE OF RESPONSIBILITY**

As Trustees we acknowledge we have overall responsibility for ensuring that West Somerset Academies 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.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO) as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the West Somerset Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met seven 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
Mrs S Brown, Chair of Trustees	6	7
Mr P Rushforth, Chief Executive Officer	7	7
Mrs H Lake, Vice Chair of Trustees	7	7
Mrs J Bellamy	6	7
Mrs J Ewen	7	7
Mr A Giles	7	7
Mr A Kingston-James	6	7
Mrs F Miller	6	7
Mrs K Tucker	7	7
Mr C Wood	7	7

**Governance Review**

Trustees followed Government COVID guidance and met online when this was advised. There have been no changes in the composition of the Trust Board over the year.

The audit of Trustee' skills will be refreshed in 2021/22 to help identify any gaps in skills and competencies; and informs training and recruitment needs. Trustees embraced the concept of online training during 2020/21 and attended a range of virtual courses – delivered by Somerset Governor Services and the Diocese of Bath & Wells, with whom the Trust has a strong relationship.

The Chair met regularly with the CEO to review progress against the Trust Improvement Plan and consider growth plans for the Trust.

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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Trustees received financial monitoring reports on a regular basis. Consolidated management accounts reports are posted onto the Trust Governance portal monthly; detailed management accounts, reflecting the financial position of individual schools and nurseries, are posted in months 3, 6 and 9.

Trustees received regular pupil progress data throughout the year. The Board used local and national benchmarking data to assess pupil progress across the Trust and present professional challenge to Trust educational professionals. The Trust carries out internal reviews across all of its schools, involving external professional to support the review process. Review reports were presented to trustees, to enable the Board to challenge report outcomes and prioritise future actions. The Board also commissioned external reviews of Trust schools during the summer term; outcomes of the reviews will be used to inform Trust Improvement Planning for 2021/22.

During the year the trustees had input into the process of reviewing and updating the Trust's Risk Register, better enabling trustees to control and manage risk across the Trust.

Trust educational professionals made presentations to the Trust Board throughout the year. This gave extended opportunities for trustees to challenge proposals and examine their effectiveness and efficiency and review curriculum provision.

The Board of Trustees has appointed designated trustees for:

- SEN:
- Pupil Premium & PE Grant:
- Health & Safety/ Compliance:
- Safeguarding:
- Child & Staff wellbeing:
- Early Years & Nurseries
- SIAMS:

The Finance, Audit & Risk Committee is a committee of the main Board of Trustees. It has a key role in:

- Monitoring, evaluating and reviewing policy and performance in relation to financial management
- Compliance with reporting and regulatory requirements and receiving reports from the Responsible

Officer/internal auditor

- Scrutinising and challenging the draft annual budget including staffing levels.
- Monitoring and reviewing risk management across the Trust.

Attendance at meetings in the year was as follows:

	<b>MEETINGS ATTENDED</b>	<b>OUT OF A POSSIBLE</b>
Mrs J Bellamy	3	3
Mr A Giles	3	3
Mr A Kingston-James	1	3
Mr P Rushforth	3	3
Mrs K Tucker	3	3
Mr C Wood	3	3



**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Succession Planning**

Following robust recruitment processes, trustees made two successful leadership appointments during the year:

- Mrs T Danby (Chief Operations Officer): appointed as from 1<sup>st</sup> January 2021
- Mr R Lakin (Chief Executive Officer) : appointed as from 1<sup>st</sup> September 2021

**REVIEW OF VALUE FOR MONEY**

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

The Accounting Officer considers how the 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:

- Throughout the year the Trust has kept its staffing structure under review. Extensive resource has been allocated to ensure that children have access to high quality teaching and a wide and varied curriculum.
- Sharing senior leadership costs across our schools and nurseries has continued to lead to salary savings. Trustees and school leaders will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult pupil ratio and curriculum management. The staffing structure is reviewed annually to ensure the most appropriate provision for our children.
- A number of programmes are in place to support pupils identified by Pupil Premium, FSM/FMS Ever 6 and SEN. These include 1:2 and 1:1 tuition, Maths and English booster lessons, pastoral support, mentoring, Outreach support and counselling.
- Curriculum budgets were maintained this year to enable subject leaders to enhance the resources used in the classroom.
- Additional resource was targeted to support home learning, resulting from COVID; this has been vital to support some of our more vulnerable families. Continued allocation of Chromebooks during 2020/21 has also been of significant benefit to our children.
- The Trust targeted significant funds to ensure that families entitled to free school meals benefitted from DfE COVID Free School Meals scheme, receiving £15 per child per week, during school holiday periods.
- Since the Trust was established, there have been savings made in several areas. The Chief Operations Officer has restructured the delivery of support services across the Trust, centralising: Finance, Admin, HR & Payroll, Catering and Premises Management. As well as achieving some financial savings it is intended that there will be improvement on effectiveness and efficiency. New financial management, budget planning and HR software, better suited for MATs, has been procured and installed and will better support financial and HR management, monitoring and reporting.
- To ensure full compliance, contracts for mechanical & electrical service and inspections, health & safety management, fire risk assessments and asbestos management are awarded and managed centrally, generating cost and efficiency savings.
- Staff are increasingly working at more than one setting across the Trust, providing increased professional development opportunities and potentially making savings.
- Photocopying costs are being managed and controlled more robustly, achieving cost and efficiency savings.
- Online payment systems were fully rolled out across the Trust, making it easier for families to pay for trips, nursery fees, school lunches etc. To further improve financial management efficiencies and help to maintain a healthy and safe environment, we have now gone "cashless" across all of our settings.
- The Trust has continued to replace number of staff PCs and laptops across the Trust, migrating staff away from older, slow, devices to modern devices, improving productivity and reducing support costs.

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

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

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 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. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance, Audit & 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 internal audit function and has decided to appoint the Education Finance team of Somerset County Council as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

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

The internal auditor delivered their work in 2020/21 as planned.

**REVIEW OF EFFECTIVENESS**

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

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

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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



**S Brown**  
Trustee



**R Lakin**  
Accounting Officer

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**R Lakin**  
Accounting Officer  
Date:

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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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 . 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:

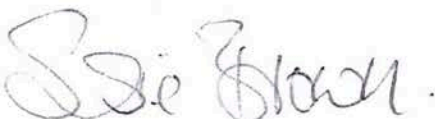
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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  
and signed on its behalf by:



**S Brown**  
Chair of Trustees

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST SOMERSET ACADEMIES TRUST**

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**OPINION**

We have audited the financial statements of West Somerset Academies Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities incorporating income and expenditure account, 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 (ESFA).

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 ESFA

**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.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST SOMERSET ACADEMIES TRUST (CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the Annual Report and financial statements other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report and financial statements. 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.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST SOMERSET ACADEMIES TRUST (CONTINUED)**

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**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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.



**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST SOMERSET ACADEMIES TRUST (CONTINUED)**

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Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

## **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.

**Tim Borton FCA DChA (Senior Statutory Auditor)**

for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Date:

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEST SOMERSET ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 October 2020 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 West Somerset Academies 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 West Somerset Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to West Somerset Academies 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 West Somerset Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF WEST SOMERSET ACADEMIES TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of West Somerset Academies Trust's funding agreement with the Secretary of State for Education dated 1 June 2011 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the commissioned by Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEST  
SOMERSET ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**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.

Tim Borton FCA DChA (Reporting Accountant)  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Date:

WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	42,923	129,827	1,006,348	1,179,098	1,398,629
Other trading activities		1,294	-	-	1,294	2,762
Investments	6	148	-	-	148	624
Charitable activities		971,750	9,264,706	-	10,236,456	10,196,542
<b>Total income</b>		<b>1,016,115</b>	<b>9,394,533</b>	<b>1,006,348</b>	<b>11,416,996</b>	<b>11,598,557</b>
<b>Expenditure on:</b>						
Charitable activities:						
Grants		-	-	-	-	691,484
Other charitable activities		684,667	10,268,962	481,496	11,435,125	11,470,726
<b>Total expenditure</b>		<b>684,667</b>	<b>10,268,962</b>	<b>481,496</b>	<b>11,435,125</b>	<b>12,162,210</b>
<b>Net income/(expenditure)</b>		<b>331,448</b>	<b>(874,429)</b>	<b>524,852</b>	<b>(18,129)</b>	<b>(563,653)</b>
Transfers between funds	19	-	(161,000)	161,000	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>331,448</b>	<b>(1,035,429)</b>	<b>685,852</b>	<b>(18,129)</b>	<b>(563,653)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(545,000)	-	(545,000)	(3,779,000)
<b>Net movement in funds</b>		<b>331,448</b>	<b>(1,580,429)</b>	<b>685,852</b>	<b>(563,129)</b>	<b>(4,342,653)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		280,031	(10,630,740)	13,458,361	3,107,652	7,450,305
Net movement in funds		331,448	(1,580,429)	685,852	(563,129)	(4,342,653)
<b>Total funds carried forward</b>		<b>611,479</b>	<b>(12,211,169)</b>	<b>14,144,213</b>	<b>2,544,523</b>	<b>3,107,652</b>

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

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The notes on pages 30 to 60 form part of these financial statements.

WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:07630164

BALANCE SHEET  
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	12,917,134	12,479,155
<b>Current assets</b>			
Stocks	16	4,973	4,973
Debtors	17	1,689,584	2,194,326
Cash at bank and in hand		1,426,315	322,611
		<u>3,120,872</u>	<u>2,521,910</u>
Creditors: amounts falling due within one year	18	(960,483)	(919,413)
<b>Net current assets</b>		<u>2,160,389</u>	<u>1,602,497</u>
<b>Total assets less current liabilities</b>		<u>15,077,523</u>	<u>14,081,652</u>
<b>Net assets excluding pension liability</b>		<u>15,077,523</u>	<u>14,081,652</u>
Defined benefit pension scheme liability	25	(12,533,000)	(10,974,000)
<b>Total net assets</b>		<u><u>2,544,523</u></u>	<u><u>3,107,652</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	14,144,213	13,458,361
Restricted income funds	19	321,831	343,260
Restricted funds excluding pension asset	19	<u>14,466,044</u>	<u>13,801,621</u>
Pension reserve	19	(12,533,000)	(10,974,000)
<b>Total restricted funds</b>	19	<u>1,933,044</u>	<u>2,827,621</u>
<b>Unrestricted income funds</b>	19	<u>611,479</u>	<u>280,031</u>
<b>Total funds</b>		<u><u>2,544,523</u></u>	<u><u>3,107,652</u></u>

The financial statements on pages 26 to 60 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

**S Brown**  
Chair of Trustees

The notes on pages 30 to 60 form part of these financial statements.

**WEST SOMERSET ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	2,013,082	(195,700)
<b>Cash flows from investing activities</b>	22	(909,378)	(570,042)
<b>Change in cash and cash equivalents in the year</b>		<b>1,103,704</b>	(765,742)
Cash and cash equivalents at the beginning of the year		322,611	1,088,353
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u>1,426,315</u>	<u>322,611</u>

The notes on pages 30 to 60 form part of these financial statements

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant 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.

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



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

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1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

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.

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.

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

- **Charitable activities**

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

1.5 TANGIBLE FIXED ASSETS

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

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.5 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is provided on the following bases:

Freehold property	- 50 years
Long-term leasehold property	- 125 years (land) 50 years (buildings)
Furniture and equipment	- 10 years
Computer equipment	- 4 years
Motor vehicles	- 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.

Where the Academy Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of buildings.

**1.6 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

**1.7 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.8 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 and cash on deposit that has a notice period of less than 30 days.

**1.9 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.

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

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1. ACCOUNTING POLICIES (continued)

1.10 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. 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. 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.

1.11 TAXATION

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.12 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.

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

**1.13 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**1.14 OPERATING LEASES**

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

The Academy 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	42,923	103,780	-	146,703	116,925
Capital Grants	-	26,047	1,006,348	1,032,395	1,281,704
<b>TOTAL 2021</b>	<b>42,923</b>	<b>129,827</b>	<b>1,006,348</b>	<b>1,179,098</b>	<b>1,398,629</b>
<b>TOTAL 2020</b>	<b>13,145</b>	<b>128,919</b>	<b>1,256,565</b>	<b>1,398,629</b>	

WEST SOMERSET ACADEMIES 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 EDUCATION

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DFE/ESFA GRANTS</b>				
<b>OTHER DFE/ESFA GRANTS</b>				
General Annual Grant	-	7,116,309	7,116,309	6,913,554
Pupil premium	-	527,374	527,374	524,111
Other DfE and ESFA	-	213,591	213,591	372,318
Mainstreamed Grants	-	254,013	254,013	435,934
Teachers Pay & Pension	-	396,426	396,426	396,253
PE Grant	-	106,600	106,600	106,360
	-	-	<b>8,614,313</b>	8,748,530
<b>OTHER GOVERNMENT GRANTS</b>				
High Needs	-	155,464	155,464	115,325
Other government grants: excluding capital	-	312,629	312,629	336,673
	-	468,093	468,093	451,998
<b>Other income from the Academy Trust's education</b>	971,750	-	971,750	957,443
<b>COVID-19 ADDITIONAL FUNDING (DFE/ESFA)</b>				
Catch-up Premium	-	158,996	158,996	-
	-	158,996	158,996	-
<b>COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA)</b>				
Coronavirus Job Retention Scheme grant	-	23,304	23,304	38,571
	-	23,304	23,304	38,571
<b>TOTAL 2021</b>	<b>971,750</b>	<b>9,264,706</b>	<b>10,236,456</b>	<b>10,196,542</b>
<b>TOTAL 2020</b>	<b>957,925</b>	<b>9,238,617</b>	<b>10,196,542</b>	

**4. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)**

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above in the relevant category for COVID-19 funding.

The funding received for coronavirus exceptional support covers 2021:Nil (2020:£19,500) of PPE, cleaning consumables, screens and thermometer costs. These costs are included in notes 7 and 9 below as appropriate.

The Academy furloughed its nursery staff under the government's CJRS. The funding received of £23,304 (2020:£19,071) relates to staff costs in respect of 13 staff which are included within note 10 below as appropriate.

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 Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

WEST SOMERSET ACADEMIES TRUST  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

5. OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	1,294	1,294	2,762
<b>TOTAL 2021</b>	<u>1,294</u>	<u>1,294</u>	<u>2,762</u>

All prior year amounts relate to unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	148	148	624
<b>TOTAL 2020</b>	<u>624</u>	<u>624</u>	

All prior year amounts relate to unrestricted funds.

7. ANALYSIS OF GRANTS

	Grants to Institutions 2021 £	Total funds 2021 £	Total funds 2020 £
Improvement to diocesan property occupied by the Academy Trust	-	-	691,484
<b>TOTAL 2020</b>	<u>691,484</u>	<u>691,484</u>	



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

8. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	As restated Total 2020 £
Education:					
Direct costs	7,296,170	381,694	940,651	<b>8,618,515</b>	8,935,136
Allocated support costs	1,649,511	402,066	765,033	<b>2,816,610</b>	2,550,590
<b>TOTAL 2021</b>	<b>8,945,681</b>	<b>783,760</b>	<b>1,705,684</b>	<b>11,435,125</b>	<b>11,485,726</b>
TOTAL 2020 AS RESTATED	8,907,549	721,109	1,857,068	11,485,726	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	8,618,515	-	2,816,610	<b>11,435,125</b>	12,177,210
TOTAL 2020	8,935,136	691,484	2,550,590	12,177,210	

Following clarification in the AAD, nursery activities which were previously separately identified as their own charitable activity have now been included with the Educational activities reported throughout the accounts.

WEST SOMERSET ACADEMIES TRUST  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Pension finance costs	175,000	<b>175,000</b>	133,000
Staff costs	7,245,267	<b>7,245,267</b>	7,482,011
Depreciation	379,478	<b>379,478</b>	321,704
Educational supplies	380,707	<b>380,707</b>	371,499
Staff development	125,287	<b>125,287</b>	157,379
Other costs	62,036	<b>62,036</b>	160,061
Supply teachers	50,903	<b>50,903</b>	108,022
Cleaning	-	-	19,500
Technology costs	199,837	<b>199,837</b>	181,960
<b>TOTAL 2021</b>	<b>8,618,515</b>	<b>8,618,515</b>	<b>8,935,136</b>
<b>TOTAL 2020</b>	<b>8,935,136</b>	<b>8,935,136</b>	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	1,649,511	1,649,511	1,317,516
Depreciation	110,359	110,359	65,450
Recruitment and support	2,754	2,754	3,097
Maintenance of premises and equipment	142,529	142,529	270,786
Cleaning	27,703	27,703	4,171
Rent and rates	154,995	154,995	154,509
Energy costs	135,101	135,101	126,170
Insurance	35,277	35,277	34,027
Security and transport	8,402	8,402	13,377
Catering	364,609	364,609	340,494
Technology costs	2,184	2,184	2,418
Office overheads	83,223	83,223	92,660
Legal and professional	86,695	86,695	116,932
Governance	13,268	13,268	8,983
<b>TOTAL 2021</b>	<b>2,816,610</b>	<b>2,816,610</b>	<b>2,550,590</b>
<b>TOTAL 2020</b>	<b>2,550,590</b>	<b>2,550,590</b>	

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	20,540	46,215
Depreciation of tangible fixed assets	492,053	387,154
Fees paid to auditors for:		
- audit	8,905	8,795
- other services	1,695	1,675

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	6,119,579	6,327,616
Social security costs	451,489	494,555
Pension costs	2,218,329	1,910,362
	<u>8,789,397</u>	<u>8,732,533</u>
Agency staff costs	50,903	108,022
Staff restructuring costs	105,381	66,994
	<u>8,945,681</u>	<u>8,907,549</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Redundancy payments	34,194	54,303
Severance payments	71,187	12,691
	<u>105,381</u>	<u>66,994</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £71,187 (2020: £12,691). Individually the payments were £9,200, £23,855, £4,600, £13,144 and £20,388.

c. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	84	84
Administration and Support	207	214
Management	7	7
	<u>298</u>	<u>305</u>

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

11. STAFF (CONTINUED)

c. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	77	78
Administration and Support	130	141
Management	6	6
	<u>213</u>	<u>225</u>

d. HIGHER PAID STAFF

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	1	1
In the band £120,001 - £130,000	1	1
	<u>1</u>	<u>1</u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £245,216 (2020 £254,280). Most of the decrease in the cost of KMP this year was due to restructuring.

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 13 has not been included in the total benefits received by Key Management Personnel above.

12. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: P Rushforth: Remuneration £125,000 - £130,000 (2020: £125,000 - £130,000), Employer's pension contributions £20,000 - £30,000 (2020: £20,000 - £30,000).

Other related party transactions involving the Trustees are set out in note 29.

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to no Trustees (2020 - £89 to 1 Trustee).

### 13. TRUSTEES' AND OFFICERS' INSURANCE

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

### 14. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Strategic leadership
- School improvement services
- Financial services
- Legal services
- Health & safety services
- Premises management
- Human resources
- Insurance

The Academy Trust charges for these services on the following basis:

The actual salary costs who provide the above services are recharged based on the pupil numbers in each school.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Minehead Middle School	265,153	226,752
Minehead First School	126,787	132,228
St Michael's Church of England First School	59,453	59,424
Danesfield Church of England School	131,207	126,828
Old Cleeve CofE School	50,842	49,452
St Peter's Church of England First School	49,702	52,848
<b>TOTAL</b>	<b>683,144</b>	<b>647,532</b>

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NOTES TO THE FINANCIAL STATEMENTS  
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15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2020	195,000	13,227,934	651,283	969,108	47,328	15,090,653
Additions	-	801,108	15,420	111,288	-	927,816
Disposals	-	-	-	(212,668)	-	(212,668)
At 31 August 2021	<u>195,000</u>	<u>14,029,042</u>	<u>666,703</u>	<u>867,728</u>	<u>47,328</u>	<u>15,805,801</u>
<b>DEPRECIATION</b>						
At 1 September 2020	15,600	1,425,132	353,345	787,254	30,167	2,611,498
Charge for the year	3,900	228,915	70,090	179,516	7,416	489,837
On disposals	-	-	-	(212,668)	-	(212,668)
At 31 August 2021	<u>19,500</u>	<u>1,654,047</u>	<u>423,435</u>	<u>754,102</u>	<u>37,583</u>	<u>2,888,667</u>
<b>NET BOOK VALUE</b>						
At 31 August 2021	<u>175,500</u>	<u>12,374,995</u>	<u>243,268</u>	<u>113,626</u>	<u>9,745</u>	<u>12,917,134</u>
At 31 August 2020	<u>179,400</u>	<u>11,802,802</u>	<u>297,938</u>	<u>181,854</u>	<u>17,161</u>	<u>12,479,155</u>

16. STOCKS

	2021 £	2020 £
Consumables	<u>4,973</u>	<u>4,973</u>

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NOTES TO THE FINANCIAL STATEMENTS  
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17. DEBTORS

	2021 £	2020 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	22,464	32,881
Other debtors	17,685	10,025
Prepayments and accrued income	1,507,163	2,134,463
VAT recoverable	142,272	16,957
	<u>1,689,584</u>	<u>2,194,326</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	314,167	66,260
Other taxation and social security	143,289	186,543
Other creditors	177,060	174,010
Accruals and deferred income	325,967	492,600
	<u>960,483</u>	<u>919,413</u>
	2021 £	2020 £
Deferred income at 1 September 2020	106,973	133,599
Resources deferred during the year	95,401	106,973
Amounts released from previous periods	(106,973)	(133,599)
	<u>95,401</u>	<u>106,973</u>

At the balance sheet date, the Academy Trust held funds received in advance for school trips and universal infant free school meals.



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

19. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>						
<b>DESIGNATED FUNDS</b>						
Designated fixed asset fund	249,124	-	(8,341)	-	-	240,783
<b>GENERAL FUNDS</b>						
Unrestricted funds	30,907	1,016,115	(676,326)	-	-	370,696
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>280,031</b>	<b>1,016,115</b>	<b>(684,667)</b>	<b>-</b>	<b>-</b>	<b>611,479</b>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	150,581	7,116,309	(7,097,961)	(65,950)	-	102,979
High needs funding	-	155,464	(155,464)	-	-	-
Pupil premium	56,503	527,374	(462,667)	-	-	121,210
Devolved formula capital	66,656	25,047	-	(18,480)	-	73,223
UIFSM	-	113,191	(113,191)	-	-	-
Other DfE/ESFA	-	1,016,435	(992,016)	-	-	24,419
Other restricted funds	69,520	336,933	(329,883)	(76,570)	-	-
Diocesan property rental	-	103,780	(103,780)	-	-	-
Pension reserve	(10,974,000)	-	(1,014,000)	-	(545,000)	(12,533,000)
	<b>(10,630,740)</b>	<b>9,394,533</b>	<b>(10,268,962)</b>	<b>(161,000)</b>	<b>(545,000)</b>	<b>(12,211,169)</b>

**WEST SOMERSET ACADEMIES TRUST  
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FOR THE YEAR ENDED 31 AUGUST 2021**

**19. STATEMENT OF FUNDS (CONTINUED)**

<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	10,835,356	-	(232,213)	-	-	10,603,143
Fixed assets purchased from GAG and other restricted funds	841,553	-	(200,162)	105,020	-	746,411
DfE/ESFA Capital grants	140,848	19,664	(23,850)	18,480	-	155,142
Capital donations	25,784	2,000	(650)	-	-	27,134
Condition Improvement Fund	1,614,820	984,684	(24,621)	37,500	-	2,612,383
	<u>13,458,361</u>	<u>1,006,348</u>	<u>(481,496)</u>	<u>161,000</u>	<u>-</u>	<u>14,144,213</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>2,827,621</u>	<u>10,400,881</u>	<u>(10,750,458)</u>	<u>-</u>	<u>(545,000)</u>	<u>1,933,044</u>
<b>TOTAL FUNDS</b>	<u>3,107,652</u>	<u>11,416,996</u>	<u>(11,435,125)</u>	<u>-</u>	<u>(545,000)</u>	<u>2,544,523</u>

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

**DESIGNATED FUNDS**

Designated fixed asset fund - This fund represents the net book value of fixed assets, purchased using unrestricted funds, which are used in one of the nurseries.

**RESTRICTED FUNDS**

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

High needs - Funding received from the Local Authority to fund further support for students with additional needs.

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

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and repair of the Academy Trust's assets.

UIFSM - This represents funding received to provide free school meals to all children in reception, year 1 and year 2.

**19. STATEMENT OF FUNDS (CONTINUED)**

Other DfE/ESFA - This represents other income received from the DfE/ESFA. In particular, this includes the rates grant, year 7 catch up and the PE grant.

Other restricted income - This funding represents other income that has been received with specific restrictions on its expenditure.

Diocesan property rental - The Academy Trust's occupation of the property owned by the Diocese of Bath and Wells for the period is recognisable as a notional donation and a notional rental expense.

Condition improvement fund - this represents capital grants that have been spent on the diocese owned property.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

**RESTRICTED FIXED ASSET FUNDS**

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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.

WEST SOMERSET ACADEMIES TRUST  
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19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
<b>DESIGNATED FUNDS</b>						
Designated fixed asset fund	236,209	-	(8,074)	20,989	-	249,124
<b>GENERAL FUNDS</b>						
Unrestricted funds	437,943	979,977	(1,366,024)	(20,989)	-	30,907
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>674,152</b>	<b>979,977</b>	<b>(1,374,098)</b>	<b>-</b>	<b>-</b>	<b>280,031</b>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	6,913,554	(6,622,427)	(140,546)	-	150,581
High needs funding	-	115,325	(115,325)	-	-	-
Pupil premium	62,457	523,629	(529,583)	-	-	56,503
Devolved formula capital	67,278	25,139	(2,750)	(23,011)	-	66,656
UIFSM	-	110,945	(110,945)	-	-	-
Other DfE/ESFA	52,365	758,837	(811,202)	-	-	-
Other restricted funds	-	810,806	(741,286)	-	-	69,520
Diocesan property rental	-	103,780	(103,780)	-	-	-
Condition Improvement Fund	-	-	(688,734)	688,734	-	-
Pension reserve	(6,512,000)	-	(683,000)	-	(3,779,000)	(10,974,000)
	<b>(6,329,900)</b>	<b>9,362,015</b>	<b>(10,409,032)</b>	<b>525,177</b>	<b>(3,779,000)</b>	<b>(10,630,740)</b>

**WEST SOMERSET ACADEMIES TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. STATEMENT OF FUNDS (CONTINUED)**

**RESTRICTED  
FIXED ASSET  
FUNDS**

Fixed assets transferred on conversion	11,069,014	-	(233,658)	-	-	10,835,356
Fixed assets purchased from GAG and other restricted funds	829,444	-	(128,437)	140,546	-	841,553
DfE/ESFA Capital grants	114,398	19,774	(16,335)	23,011	-	140,848
Capital donations	15,184	11,250	(650)	-	-	25,784
Condition Improvement Fund	1,078,013	1,225,541	-	(688,734)	-	1,614,820
	<u>13,106,053</u>	<u>1,256,565</u>	<u>(379,080)</u>	<u>(525,177)</u>	<u>-</u>	<u>13,458,361</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>6,776,153</u>	<u>10,618,580</u>	<u>(10,788,112)</u>	<u>-</u>	<u>(3,779,000)</u>	<u>2,827,621</u>
<b>TOTAL FUNDS</b>	<u><u>7,450,305</u></u>	<u><u>11,598,557</u></u>	<u><u>(12,162,210)</u></u>	<u><u>-</u></u>	<u><u>(3,779,000)</u></u>	<u><u>3,107,652</u></u>

**TOTAL FUNDS ANALYSIS BY ACADEMY**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Danesfield Church of England School	(250,255)	(227,846)
Minehead First School	(142,209)	(154,653)
Minehead Middle School	1,549,100	1,195,785
Old Cleeve CofE School	(188,924)	(169,580)
St Michael's Church of England First School	134,705	127,994
St Peter's Church of England First School	(169,107)	(148,409)
	<u>933,310</u>	<u>623,291</u>
Total before fixed asset funds and pension reserve	933,310	623,291
Restricted fixed asset fund	14,144,213	13,458,361
Pension reserve	(12,533,000)	(10,974,000)
<b>TOTAL</b>	<u><u>2,544,523</u></u>	<u><u>3,107,652</u></u>

19. STATEMENT OF FUNDS (CONTINUED)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Danesfield Church of England School	(250,255)
Minehead First School	(142,209)
Old Cleeve CofE School	(188,924)
St Peter's Church of England First School	(169,107)
	<u><u>                    </u></u>

The Academy Trust is taking the following action to return the academies to surplus:

Danesfield

Trustees made the decision to run a relatively small in-year deficit in 20/21 to allow for a £37.5k contribution towards a £1m capital roofing project that will begin in 21/22. As part of the Trust 5-year financial plan, Danesfield achieves strong in-year surpluses from 22/23, and is forecast to clear the overall deficit by 25/26. This is realised through a combination of efficiencies across the leadership structure, and an increase in pupil numbers and associated increase in funded income that begins in 21/22.

Minehead First

An in-year surplus was achieved in 20-21, and as part of the Trust 5-year financial plan Minehead First achieves an in-year surplus year-on-year to continue clearing the deficit. This is achieved through cost efficiencies across the leadership and general staffing structure.

Old Cleeve

Trustees recognise the difficulties that this small first school faces to achieve a balanced budget. The deficit in-year was lower than predicted and cost efficiencies are being made within the staffing structure. Falling pupil numbers and the associated decrease in funded income in this small rural school continues to be a challenge. The Trust Board is working closely with Senior Leadership to continue to support this school in exploring further cost efficiencies.

St Peters

High staffing costs in 2020/21 have had a detrimental impact on the budget. This was mainly due to staff reorganisation. The Trust is implementing cost efficiencies across leadership and school structure. The Trust 5-year financial plan forecasts St Peter's to achieve an in-year surplus year-on-year to continue clearing the deficit.

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19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Danesfield Church of England School	1,370,574	216,513	145,785	233,046	1,965,918	1,952,640
Minehead First School	1,093,913	180,992	87,519	169,615	1,532,039	1,726,783
Minehead Middle School	2,208,646	336,608	240,720	290,620	3,076,594	3,174,741
Old Cleeve CofE School	527,059	81,379	48,550	95,195	752,183	790,502
St Michael's Church of England First School	529,444	63,062	85,889	114,078	792,473	769,142
St Peter's Church of England First School	718,454	71,633	67,459	131,316	988,862	1,072,802
Central	302,080	406,324	91,945	22,870	823,219	863,486
<b>ACADEMY TRUST</b>	<b>6,750,170</b>	<b>1,356,511</b>	<b>767,867</b>	<b>1,056,740</b>	<b>9,931,288</b>	<b>10,350,096</b>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	240,783	-	12,676,351	12,917,134
Current assets	1,331,179	321,831	1,467,862	3,120,872
Creditors due within one year	(960,483)	-	-	(960,483)
Provisions for liabilities and charges	-	(12,533,000)	-	(12,533,000)
<b>TOTAL</b>	<b>611,479</b>	<b>(12,211,169)</b>	<b>14,144,213</b>	<b>2,544,523</b>

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NOTES TO THE FINANCIAL STATEMENTS  
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	249,124	-	12,230,031	12,479,155
Current assets	950,320	343,260	1,228,330	2,521,910
Creditors due within one year	(919,413)	-	-	(919,413)
Provisions for liabilities and charges	-	(10,974,000)	-	(10,974,000)
<b>TOTAL</b>	<b>280,031</b>	<b>(10,630,740)</b>	<b>13,458,361</b>	<b>3,107,652</b>

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	<b>(18,129)</b>	(563,653)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>489,837</b>	387,154
Capital grants from DfE and other capital income	<b>(1,006,348)</b>	(1,256,565)
Interest received	-	(624)
Defined benefit pension scheme cost less contributions payable	<b>839,000</b>	565,000
Defined benefit pension scheme finance cost	<b>175,000</b>	118,000
Decrease in debtors	<b>1,492,652</b>	208,825
Increase in creditors	<b>41,070</b>	346,163
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>2,013,082</b>	(195,700)



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22. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest received	-	624
Purchase of tangible fixed assets	(927,816)	(601,650)
Capital grants from DfE Group	18,438	30,984
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(909,378)</b>	<b>(570,042)</b>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	1,426,315	322,611
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,426,315</b>	<b>322,611</b>

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	322,611	1,103,704	1,426,315
	<b>322,611</b>	<b>1,103,704</b>	<b>1,426,315</b>

25. 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 Somerset County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £172,411 were payable to the schemes at 31 August 2021 (2020 - £171,048) and are included within creditors.

## 25. PENSION COMMITMENTS (CONTINUED)

### TEACHERS' PENSION SCHEME

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

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

### VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £664,000 (2020 - £723,551).

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.

NOTES TO THE FINANCIAL STATEMENTS  
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25. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £892,000 (2020 - £820,000), of which employer's contributions totalled £715,000 (2020 - £648,000) and employees' contributions totalled £ 177,000 (2020 - £172,000). The agreed contribution rates for future years are 23.7 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy 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.

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021 %	2020 %
Rate of increase in salaries	4.40	3.80
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30

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

	2021 Years	2020 Years
RETIRING TODAY		
Males	23.1	23.3
Females	24.6	24.8
RETIRING IN 20 YEARS		
Males	24.4	24.7
Females	26.1	26.2

SENSITIVITY ANALYSIS

	2021 £000	2020 £000
Discount rate +0.1%	(585)	(437)
Discount rate -0.1%	601	448
Mortality assumption - 1 year increase	1,031	685
Mortality assumption - 1 year decrease	(1,024)	(660)

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25. PENSION COMMITMENTS (CONTINUED)

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

	2021 £000	2020 £000
Equities	6,856	5,125
Gilts and bonds	1,515	1,318
Property	676	539
Cash and other liquid assets	376	383
	<u>          </u>	<u>          </u>

SHARE OF SCHEME ASSETS

The actual return on scheme assets was £1,585,000 (2020 - £199,000).

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

	2021 £	2020 £
Current service cost	(1,554,000)	(1,213,000)
Interest income	117,000	109,000
Interest cost	(292,000)	(227,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<u>(1,729,000)</u>	<u>(1,331,000)</u>

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>18,339,000</b>	12,277,000
Current service cost	1,554,000	1,213,000
Interest cost	292,000	227,000
Employee contributions	177,000	172,000
Actuarial losses/(gains)	2,008,000	4,684,000
Benefits paid	(414,000)	(234,000)
<b>AT 31 AUGUST</b>	<u><b>21,956,000</b></u>	<u>18,339,000</u>

**WEST SOMERSET ACADEMIES TRUST  
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**25. PENSION COMMITMENTS (CONTINUED)**

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>7,365,000</b>	5,765,000
Interest income	122,000	112,000
Actuarial gains	1,463,000	905,000
Employer contributions	715,000	648,000
Benefits paid	(414,000)	(234,000)
Employee contributions	177,000	172,000
Administration expenses	(5,000)	(3,000)
<b>AT 31 AUGUST</b>	<b>9,423,000</b>	<b>7,365,000</b>

**26. 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 £	2020 £
Not later than 1 year	20,540	20,540
Later than 1 year and not later than 5 years	5,135	25,675
	<b>25,675</b>	<b>46,215</b>

**27. MEMBERS' LIABILITY**

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

**28. GENERAL INFORMATION**

West Somerset Academies Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Minehead Middle School, Ponsford road, Minehead, Somerset, TA24 5RH.

**29. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 13.

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.