

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

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SWAKELEYS SCHOOL FOR GIRLS
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr D Charles Mr P McLauchlan Mr R Sall
Governors/Trustees	Mrs S Pryor, Head Teacher Mr H Singh Mr J Fox Mr B Jakhu Mrs T Gruber-Miller Mr D Charles, Chair Mr D McLauchlan, Vice Chair Mrs D Sadeh Mr R Sall Ms S Caldwell
Company registered number	07570315
Company name	Swakeleys School For Girls
Registered and principal office	Clifton Gardens Uxbridge Middlesex UB10 0EJ
Company Secretary	Mrs H Y Manwaring
Chief Executive Officer	Mrs S Pryor
Senior Management Team	Mrs S Pryor, Head Teacher Mrs G Hare, Deputy Head Teacher Mrs C Devereux, Deputy Head Teacher Miss O Wall, Deputy Head Teacher Mrs H Y Manwaring, Business Manager
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Plc 35 Swakeleys Rd Uxbridge Middlesex UB10 8DB

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their Annual Report together with the financial statements and Auditors Report of the Charitable Company for the year 1 September 2019 to 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, governance and management

Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The Charitable Company's Memorandum of Association is the primary governing document.

The Trustees of Swakeleys School For Girls are also the Directors of the Charitable Company for the purposes of company law.

The Charitable Company is known as Swakeleys School For Girls (The Academy of the Trust).

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1. The term Director, Trustee and Governor are interchangeable in this report.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and details of the costs are disclosed in Note 12 to the accounts.

Method of recruitment and appointment or election of Trustees

- Parent Governors are appointed by the election of parents of students attending the School.
- Staff Governors are appointed by election of staff employed by the Academy.
- Community Governors may be appointed by the Governing Body.
- Co-opted Governors may be appointed by those Governors who are not themselves co-opted Governors.
- Member Governors may be appointed directly by Members.
- The Headteacher automatically becomes a Governor.
- Further Governors may be appointed by the Secretary of State.

Policies adopted for the induction and training of Trustees

All Governors receive training on Academy Governance and Governor's responsibilities three times a year. Each training session is bespoke to meet the needs of the Academy. In addition, Governors visit the School throughout the year. However, this year Governor visits were restricted by DFE guidance relating to COVID -19 and were undertaken on a virtual platform.

New Governors receive a comprehensive induction package tailored to the needs of the individual and, where necessary training is also provided on education, legal and financial matters. All new Governors will be given a tour of the School and chance to meet with staff and students. There have been no new joiners this year.

All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake the role as Governors.

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TRUSTEES' REPORT (CONTINUED)
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Organisational structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Governing Body, which meets on at least 3 occasions per year, is responsible for the strategic direction of the Academy. The Governing Body delegates certain functions to three committees: Pastoral and Curriculum, Finance and Health and Safety and Personnel. These meetings are attended by members of the Senior Leadership Team. The committees review progress towards educational objectives and results, approve major expenditure requests, set the budget for the following year, set the organisational staffing structure, and agree the performance objectives of the Headteacher. Any decisions that are made at committee level are taken to the Governing Body for ratification.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Body as required for approval. Each member of the Senior Leadership Team has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

Trade union facility time

The number of employees who were relevant union officials during the period was two. The full-time equivalent was two.

During the year there was nothing spent on union facility time.

Arrangements for setting pay and remuneration of key management personnel

The School pay policy determines the pay and remuneration of key management personnel by a number of factors. These include the pay scales for each role and the Individual Salary Range set for the School by the Governing Body. Additional consideration is given for retention and expansion of the role to meet the needs of the School. This is reviewed by the Pay Committee of the Governing Body every three years. The pay levels may be affected by nationally agreed pay awards and the ability to recruit and retain in post.

Related parties and other connected charities and organisations

Owing to the nature of the Academy's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which a Governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Academy maintains a register of pecuniary interests of the Governors which is regularly reviewed and updated.

Objects and aims

The principal object and aim of the Charitable Company is the operation of Swakeleys School For Girls to provide free education and care for pupils of different abilities between the ages of 11 and 19.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, strategies and activities

During the year the Academy has worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Academy's business in accordance with the highest standards of integrity.

At Swakeleys School For Girls we aim to get 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.

Public benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Achievements and performance

In 2013, the School was graded by Ofsted as outstanding across all four key areas of the inspection namely, achievement of pupils, quality of teaching, behaviour and safety of pupils and leadership and management. This Academic Year, our students were provided with grades based on centre assessment data rather than results from their examinations as these were cancelled due to the Covid -19 pandemic. Despite these extreme circumstances, at GCSE 79% of our Year 11 students achieved a grade 4 in both English and Maths, 60% achieved a grade 5 in both English and Maths and 40% achieved the Ebac qualification at a high level. At A Level our students achieved a 100% pass rate with 73% achieving A* -B. Five of our students have been accepted into Oxford or Cambridge. The Government will not be publishing any results for this academic year due to the centre assessment arrangements.

Our specialist leaders in education continue to lead the NAML training for middle leaders in Hillingdon and we are now an established "Leading Edge " school . This means that we will be showcasing an area of excellent practice to other schools across the country .. As part of our work as a teaching school, three more specialist leaders in education (SLEs) have been appointed from our staff team. The School has also had a very successful in a peer review undertaken by Hillingdon Association of School Headteachers which has resulted in the School being asked to work with other Hillingdon schools.

As part of our continued support to schools, the School has provided a support package to a neighbouring secondary school in Hillingdon to help them improve the quality of teaching and learning within their school. Senior staff from the School including the Headteacher have provided leadership and management support including training for senior and middle leaders on the new Ofsted framework by the Headteacher. In addition, a member of our support staff team was seconded to the role of Head of Year 7 and to improve the quality of their lessons, one of our Assistant Head's together with subject leaders were paired with staff from the School. The impact of this support has meant that the supported school received a positive Ofsted monitoring visits commenting on the quality support it had received.

The Headteacher continues with her own professional development with her involvement with Ofsted where she has been both a lead inspector and a team member on both one and two day inspections. This professional development has been valuable for the School and has enabled her to support other Hillingdon Headteachers as they prepare for Ofsted inspections under the new framework.

The School continues to achieve success and upon application to the Department of Education has been successful in the application to become an Academy Sponsor.

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TRUSTEES' REPORT (CONTINUED)
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The Academy measures its success partly through a series of performance indicators. These indicators comprise:

- Academy popularity/admissions;
- Examination results and other indicators of student performance;
- Staff and department performance monitoring;
- Financial health; and
- Stakeholder survey outcomes.

Examination Results

Our examination results for 2019/20 were centre assessment grades due to COVID -19 and the cancellation of public examinations.

GCSE

79% of our Year 11 cohort achieved grade 4 or above in both English and Maths with 60% achieved grade 5 or above in both English and Maths, 40% secured the prestigious English Baccalaureate qualification which requires them to achieve passes in English, Maths, Science/Computer Science, a Modern Foreign Language and History or Geography.

Sixth Form

Students from our sixth form received 100% pass rate with 73% achieving A* -B grades.

Key performance indicators

The Governors receive monthly information to enable them to monitor the performance of the Academy compared to aims, strategies and financial budgets. As funding is based on pupil numbers for Years 7-11, this is the key performance indicator. Pupil numbers were 1180 against a forecast of 1180.

The Governors compare costs as a percentage of income to monitor financial performance as these are commonly used and benchmarked within the sector. Attendance levels have been sustained at 95.7% and retention from year 11 going into Sixth Form over the past three years has been 60%.

Another key performance indicator is staffing cost as a percentage of income. For 2019/20 this was between 79%-81% against set parameters of 80 - 85% The Governors are confident that staffing levels are closely monitored to agreed full time equivalent and staffing structures which have been approved by the Governing Body.

The Finance and Health and Safety Committee also monitor premises costs to General Annual Grant (GAG) income, curriculum department allocations to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Reserves policy

The Governors are aware of the requirement to balance current and future needs. The Governors always aim to set a balanced budget with annual income balancing annual expenditure. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £129,383. This has been built up from a mixture of locally raised income. The Governors review the reserves levels of the Academy annually. This review encompasses the nature of income and expenditure together with the need to match income with commitments and the nature of the reserves. The Governors have taken the decision that the appropriate level of free reserves should be available to be equivalent to one month's gross salary expenditure which is currently £450k. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a buffer to deal with in expected emergencies such as urgent maintenance and repairs.

Investment policy

An Investment Policy was approved by the Governing Body in November 2019.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Governors do not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

Principal risks and uncertainties

The Governors maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Governors at each Finance Committee meeting. The principal risks facing the Academy are outlined below; those facing the School at an operational level are addressed by its systems and by internal financial and other controls.

The Governors report that the Academy's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

The Governors assess the other principal risks and uncertainties facing the Academy as follows:

- The Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

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FOR THE YEAR ENDED 31 AUGUST 2020

- Safeguarding and child protection - the Governors 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 Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Academy has appointed a non employed Trustee as Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

The Academy only held small fundraising events during the year including cake sales and non uniform days. This was limited to the Autumn Term only this year due to the COVID -19 Pandemic. The Academy does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Plans for future periods

The Academy plans to continue expand the numbers of pupils on roll from September 2018 to 240 from 180 in Year 7 and will therefore has 8 forms of entry from this date. This will mean that the School will be at full capacity by September 2023. In addition the expanded roll will provide capacity for 350 pupils in the Sixth Form from September 2018. The Academy has put into place financial planning to equip the new build and for the predicted increases in costs as far as it is able to. The School made application to the Local Authority's growth fund in 2018 to support the increase in pupil numbers as the funding generated by the School Census is lagged in and this was refused on the basis that there was a lack of need. The school has made two further applications to the Growth Fund this year but again , the application has been refused despite neighbouring schools within the Authority being funded for additional places required by the Local Authority. The Academy therefore has implemented a financial plan to address this shortfall where possible but has had to trade on its reserves.

The Trustees have approved the application of the Headteacher to reduce her contractual hours next academic year. This will reduce costs and provide professional opportunities for senior staff.

**SWAKELEYS SCHOOL FOR GIRLS
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Disclosure of information to Auditors

Insofar as the Trustees are aware:

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

Auditors

The Auditors, Price Bailey LLP, have indicated their willingness to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a Strategic Report was approved by the Board of Trustees, on 17th December 2020 and signed on its behalf by:

Mr D Charles
Chair of Governors

SWAKELEYS SCHOOL FOR GIRLS
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Swakeleys School For Girls 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 3 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 Pryor, Head Teacher	3	3
Mr H Singh	1	3
Mr J Fox	0	3
Mr B Jakhu	3	3
Mrs T Gruber-Miller	2	3
Mr D Charles, Chair	3	3
Mr D McLauchlan, Vice Chair	3	3
Mrs D Sadeh	2	3
Mr R Sall	3	3
Ms S Caldwell	2	3

The Trustees recognise that to effectively fulfil its role, it must ensure that all of its Governors have the required skills and knowledge to support the achievement of the School's priority objectives which primarily is to raise attainment of all the students. Recognising the importance of training and development, the Governing Body has Training as an agenda item at every meeting to ensure that there is a committed and consistent focus on the areas where the Governing Body needs to develop. External courses are also made available to further develop their skills. Annual skills audits are undertaken to identify and address any skills gaps together with an annual self-evaluation of the effectiveness of the Governing Body over the school year.

The Governing Body is a member of the National Governors Association and uses this and other relevant information channels to ensure it remains abreast and up to date on relevant developments in the education sector.

The Board is satisfied that through the use of sub-committees, in particular the Finance and Health and Safety Committee, it maintains effective oversight of funds.

The Finance and Health and Safety Committee is a sub-committee of the main Board of Trustees. Its purpose is to be responsible for the audit of the Academy. The committee fulfils the functions of an audit committee, reviewing the risks to internal control to inform the statement of internal control and, so far as is possible, provide assurance to the external Auditors. A Risk Register has been produced to enable principal risks and uncertainties facing the School which is regularly reviewed and addressed. The Governing Body has considered the need to appoint an Internal Auditor but has appointed a Responsible Officer to support the internal audit of the Academy.

SWAKELEYS SCHOOL FOR GIRLS
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Dean Charles	4	4
Paul McLauchlan	4	4
Raj Sall	4	4

.Governance reviews

The Governors conducted a skills audit and self-evaluation review in September 2019. The Governors conduct this annually and it was considered a strength of the Governing Body in the Ofsted Report 2013.

Review of year

This year has been unusual due to the impact of COVID-19 on our School and the school community. Throughout the “Lockdown” in March 2020, the School remained open for our vulnerable students and students of Key Workers with our staff working on a rota basis. Students entitled to free school meals received vouchers to enable them to purchase food. Our students were able to access the curriculum through secure on line platforms and those students who did not have access to equipment or the internet, were provided with equipment to do so. Staff worked tirelessly to continue to deliver quality teaching and learning in these difficult times from home. Administrative staff were also able to continue to work by accessing the various on line platforms used by the School from home. Staff were in regular contact with students especially those identified as vulnerable and the Headteacher supported the staff well being by providing regular briefing updates and words of encouragement.

COVID-19 has also impacted on our trading capacity as we have been unable to let our facilities due to the strict measures that had to be implanted for health and safety reasons together with the frequently updated Government guidance. Our cleaning costs have escalated due to the safety measures in place.

Despite these difficulties, the School continues to be over subscribed with a waiting list for all year groups and our GCSE and A Level results are sustained for another year despite this year’s results being centre assessed.

Review of value for money

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

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

- Maximising income generation through staff consultancy services to neighbouring schools.
- A review of the timetable modelling to ensure specialist staff are maximised at the top end of the School.
- A review of the curriculum offer to minimise staffing need.

SWAKELEYS SCHOOL FOR GIRLS
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Swakeleys School for Girls for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and Health and Safety 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 decided to employ Mr R Sall a non-employed Trustee as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included:

- Risk Register
- Purchase and Sales Ledger
- Asset Register

On a termly basis, the Internal Auditor reports to the Board of Trustees, through the Finance and Health and Safety Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an Annual Summary Report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the Internal Auditor
- the work of the external Auditor
- the financial management and governance self-assessment process or the School resource management self-assessment tool
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees and signed on their behalf by:

Mr D Charles
Chair of Trustees

Mrs S Pryor
Accounting Officer

Date: 18 December 2020

SWAKELEYS SCHOOL FOR GIRLS
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Swakeleys School For Girls I have considered my responsibility to notify the 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

Mrs S Pryor
Accounting Officer
Date: 18 December 2020

SWAKELEYS SCHOOL FOR GIRLS
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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 the Board of Trustees and signed on its behalf by:

Mr D Charles
Chair of Governors

Date 18 December 2020

SWAKELEYS SCHOOL FOR GIRLS
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SWAKELEYS SCHOOL FOR GIRLS

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our Report. We are independent of the Academy 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SWAKELEYS SCHOOL FOR GIRLS (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. 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.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 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 Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SWAKELEYS SCHOOL FOR GIRLS (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our Report

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

Mr Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP
Chartered accountants
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

11 January 2021

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SWAKELEYS SCHOOL FOR GIRLS AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 January 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Swakeleys School For Girls during the year 1 September 2019 to 31 August 2020 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 Swakeleys School For Girls and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Swakeleys School For Girls 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 Swakeleys School For Girls and ESFA, for our work, for this Report, or for the conclusion we have formed.

Respective responsibilities of Swakeleys School For Girls's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Swakeleys School For Girls's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SWAKELEYS SCHOOL FOR GIRLS AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Price Bailey LLP
Chartered accountants
Chartered Accountants
Statutory Auditors

Date: 11 January 2021

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	71,395	41,131	25,263	137,789	210,914
Charitable activities	4	112,098	7,104,816	-	7,216,914	6,537,589
Other trading activities	5	36,483	-	-	36,483	52,582
Investments	6	157	-	-	157	222
Total income		220,133	7,145,947	25,263	7,391,343	6,801,307
Expenditure on:						
Charitable activities	7	186,850	7,427,227	804,445	8,418,522	7,919,949
Total expenditure		186,850	7,427,227	804,445	8,418,522	7,919,949
Net income/ (expenditure)		33,283	(281,280)	(779,182)	(1,027,179)	(1,118,642)
Transfers between funds	16	(38,280)	38,280	-	-	-
Net movement in funds before other recognised gains/(losses)		(4,997)	(243,000)	(779,182)	(1,027,179)	(1,118,642)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	658,000	-	658,000	(774,000)
Net movement in funds		(4,997)	415,000	(779,182)	(369,179)	(1,892,642)
Reconciliation of funds:						
Total funds brought forward		134,380	(2,356,000)	33,207,004	30,985,384	32,878,026
Net movement in funds		(4,997)	415,000	(779,182)	(369,179)	(1,892,642)
Total funds carried forward		129,383	(1,941,000)	32,427,822	30,616,205	30,985,384

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

The notes on pages 23 to 45 form part of these financial statements.

SWAKELEYS SCHOOL FOR GIRLS
REGISTRATION NUMBER: 07570315
(A Company Limited by Guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	32,427,822	33,207,004
		32,427,822	33,207,004
Current assets			
Debtors	14	161,495	223,497
Cash at bank and in hand		97	10,747
		161,592	234,244
Creditors: amounts falling due within one year	15	(32,209)	(99,864)
		129,383	134,380
Net current assets		129,383	134,380
Total assets less current liabilities		32,557,205	33,341,384
Net assets excluding pension liability		32,557,205	33,341,384
Defined benefit pension scheme liability	23	(1,941,000)	(2,356,000)
Total net assets		30,616,205	30,985,384
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	32,427,822	33,207,004
Restricted funds excluding pension liability	16	32,427,822	33,207,004
Pension reserve	16	(1,941,000)	(2,356,000)
Total restricted funds	16	30,486,822	30,851,004
Unrestricted income funds	16	129,383	134,380
Total funds		30,616,205	30,985,384

The financial statements on pages 20 to 45 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Mr D Charles
Chair of Governors

Date: 18 December 2020

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	18	(180)	(183,025)
Cash flows from investing activities	20	(10,627)	(41,086)
Cash flows from financing activities	19	157	222
Change in cash and cash equivalents in the year		(10,650)	(223,889)
Cash and cash equivalents at the beginning of the year		10,747	234,636
Cash and cash equivalents at the end of the year	21, 22	97	10,747

The notes on pages 23 to 45 form part of these financial statements

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 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 to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Following the year end the Trust has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Trust derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Master Funding Agreement with the Secretary of State for Education. This will ensure that the Trust can continue operating for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

1.3 Fund accounting

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

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

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

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Income

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

• **Grants**

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

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

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

• **Donations**

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

1.5 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Government grants

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Furniture and equipment	- 25% straight line
Plant and machinery	- 25% straight line
Computer equipment	- 25% straight line

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

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

1.12 Pensions

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

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

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

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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 Trustees make 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 23, 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 2016 has been used by the Actuary in valuing the pensions liability at 31 August 2020. 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.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	71,395	41,131	-	112,526	125,496
Government grants	-	-	25,263	25,263	85,418
	<u>71,395</u>	<u>41,131</u>	<u>25,263</u>	<u>137,789</u>	<u>210,914</u>
Total 2019	<u>92,793</u>	<u>32,703</u>	<u>85,418</u>	<u>210,914</u>	

In 2019, income from donations was £125,496 of which £92,793 was unrestricted and £32,703 restricted.

In 2020, capital grants of £25,263 (2019- £85,418) were also in relation to restricted fixed assets.

4. Funding for the Academy's educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,559,104	6,559,104	6,190,149
Other DfE / EFA grants	-	433,766	433,766	113,274
SEN funding	-	111,946	111,946	105,599
Catering income	112,098	-	112,098	128,567
	<u>112,098</u>	<u>7,104,816</u>	<u>7,216,914</u>	<u>6,537,589</u>
Total 2019	<u>128,567</u>	<u>6,409,022</u>	<u>6,537,589</u>	

In 2019, income from DFE/ESFA grants was £6,303,423 of which all was restricted.

In 2019, income from other government grants was £105,599 of which all was restricted.

In 2019, income from catering was £128,567 of which all was unrestricted.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings income	16,325	16,325	26,437
Other income	20,158	20,158	26,145
	36,483	36,483	52,582
	52,582	52,582	
Total 2019			

In 2019, lettings income was £26,437 of which all was unrestricted.

In 2019, other income was £26,145 of which all was unrestricted.

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	157	157	222
	222	222	
Total 2019			

In 2019, Investment income was £222 of which all was unrestricted.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Education:					
Direct costs	4,787,836	-	676,425	5,464,261	5,033,128
Support costs	969,588	1,313,056	671,617	2,954,261	2,886,821
	<u>5,757,424</u>	<u>1,313,056</u>	<u>1,348,042</u>	<u>8,418,522</u>	<u>7,919,949</u>
Total 2019	<u>5,705,419</u>	<u>1,430,836</u>	<u>783,694</u>	<u>7,919,949</u>	

In 2020, of the total expenditure, £186,850 (2019 - £456,916) was made from unrestricted funds, £7,427,227 (2019 - £6,585,639) was made from restricted funds, and £804,445 (2019 - £877,394) was made from restricted fixed asset funds.

In 2019, direct expenditure consisted of £4,731,738 staff costs and £301,390 other costs.

In 2019, support expenditure consisted of £973,681 staff costs, £1,430,836 premises costs and £783,694 other costs.

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	<u>5,464,261</u>	<u>2,954,261</u>	<u>8,418,522</u>	<u>7,919,949</u>
Total 2019	<u>5,033,128</u>	<u>2,886,821</u>	<u>7,919,949</u>	

SWAKELEYS SCHOOL FOR GIRLS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Education 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	44,000	44,000	41,000
Staff costs	969,589	969,589	939,681
Depreciation	789,809	789,809	787,559
Professional services	98,997	98,997	107,593
Recruitment and support	4,003	4,003	29,697
Maintenance of premises and equipment	26,450	26,450	18,511
Other occupancy costs	420,040	420,040	453,443
Insurance	40,533	40,533	40,467
Other costs	116,411	116,411	133,704
Catering	112,087	112,087	120,763
Printing, postage, stationery and telephone	251,088	251,088	192,302
I.T. equipment and services	68,859	68,859	9,930
Governance costs	12,395	12,395	12,171
	<u>2,954,261</u>	<u>2,954,261</u>	<u>2,886,821</u>
Total 2019	<u>2,886,821</u>	<u>2,886,821</u>	

There has been no legal expenditure within the financial period. (2019- NIL)

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	101,591	135,560
Depreciation of tangible fixed assets	789,809	788,113
Fees paid to Auditors for:		
- audit	7,150	7,450
- other services	5,245	4,721
	<u>7,150</u>	<u>4,721</u>

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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	4,251,837	4,508,538
Social security costs	420,289	402,295
Pension costs	1,085,299	794,586
	<u>5,757,425</u>	<u>5,705,419</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	70	58
Administration and support	57	63
Management	1	14
	<u>128</u>	<u>135</u>

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	4	2
In the band £70,001 - £80,000	3	3
In the band £80,001 - £90,000	1	1
In the band £180,001 - £190,000	1	1
	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £677,420 (2019 £634,442).

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NOTES TO THE FINANCIAL STATEMENTS
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11. Trustees' remuneration and expenses

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

		2020	2019
		£	£
Mrs S Pryor, Head Teacher	Remuneration	185,000 - 190,000	180,000 - 185,000
	Pension contributions paid	40,000 - 45,000	25,000 - 30,000
Ms S Caldwell	Remuneration	35,000 - 40,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

12. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Freehold property £	Furniture & equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2019	34,043,863	225,566	126,643	364,497	17,000	34,777,569
Additions	-	8,534	-	2,093	-	10,627
Disposals	-	(18,107)	(120,793)	(148,231)	-	(287,131)
At 31 August 2020	<u>34,043,863</u>	<u>215,993</u>	<u>5,850</u>	<u>218,359</u>	<u>17,000</u>	<u>34,501,065</u>
Depreciation						
At 1 September 2019	1,081,203	101,512	126,643	244,207	17,000	1,570,565
Charge for the year	680,877	51,966	-	56,966	-	789,809
On disposals	-	(18,107)	(120,793)	(148,231)	-	(287,131)
At 31 August 2020	<u>1,762,080</u>	<u>135,371</u>	<u>5,850</u>	<u>152,942</u>	<u>17,000</u>	<u>2,073,243</u>
Net book value						
At 31 August 2020	<u><u>32,281,783</u></u>	<u><u>80,622</u></u>	<u><u>-</u></u>	<u><u>65,417</u></u>	<u><u>-</u></u>	<u><u>32,427,822</u></u>
At 31 August 2019	<u><u>32,962,660</u></u>	<u><u>124,054</u></u>	<u><u>-</u></u>	<u><u>120,290</u></u>	<u><u>-</u></u>	<u><u>33,207,004</u></u>

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14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	24,695	32,222
Other debtors	75,119	104,523
Prepayments and accrued income	61,681	86,752
	161,495	223,497
	161,495	223,497

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	1,383	-
Trade creditors	612	84,650
Other creditors	214	214
Accruals and deferred income	30,000	15,000
	32,209	99,864
	32,209	99,864

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Unrestricted	134,380	220,133	(186,850)	(38,280)	-	129,383
Restricted general funds						
General Annual Grant (GAG)	-	6,216,740	(6,255,020)	38,280	-	-
Other DfE/ESFA grants	-	776,130	(776,130)	-	-	-
Other Government grants	-	111,946	(111,946)	-	-	-
Restricted donations	-	41,131	(41,131)	-	-	-
Pension reserve	(2,356,000)	-	(243,000)	-	658,000	(1,941,000)
	<u>(2,356,000)</u>	<u>7,145,947</u>	<u>(7,427,227)</u>	<u>38,280</u>	<u>658,000</u>	<u>(1,941,000)</u>
Restricted fixed asset funds						
Restricted Fund Fixed assets	33,207,004	-	(789,809)	10,627	-	32,427,822
Devolved Formula Capital	-	25,263	(14,636)	(10,627)	-	-
	<u>33,207,004</u>	<u>25,263</u>	<u>(804,445)</u>	<u>-</u>	<u>-</u>	<u>32,427,822</u>
Total Restricted funds	<u>30,851,004</u>	<u>7,171,210</u>	<u>(8,231,672)</u>	<u>38,280</u>	<u>658,000</u>	<u>30,486,822</u>
Total funds	<u><u>30,985,384</u></u>	<u><u>7,391,343</u></u>	<u><u>(8,418,522)</u></u>	<u><u>-</u></u>	<u><u>658,000</u></u>	<u><u>30,616,205</u></u>

SWAKELEYS SCHOOL FOR GIRLS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Statement of funds (continued)

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

Unrestricted Funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Special Educational Needs (SEN)

This represents funding from the ESFA for Children with Special Educational Needs.

Educational Visits

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Other Restricted Funds

This represents funding received from the DfE/ESFA that is restricted in nature.

Restricted fixed assets

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

Devolved Formula Capital (DFC)

This represents funding received from the ESFA specifically for the maintenance and improvement of the Academy's buildings and facilities.

Other DfE/EFA grants

This fund largely represents income granted to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Transfers

This transfer represents the amount of capital expenditure that was made from general funds as there was no specific capital or other grant available.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Unrestricted	317,132	274,164	(456,916)	-	-	134,380
Restricted general funds						
General Annual Grant (GAG)	-	6,214,847	(6,173,761)	(41,086)	-	-
Other DfE/ESFA grants	-	105,599	(105,599)	-	-	-
Other Government grants	-	32,703	(32,703)	-	-	-
Restricted donations	-	88,576	(88,576)	-	-	-
Pension reserve	(1,397,000)	-	(185,000)	-	(774,000)	(2,356,000)
	<u>(1,397,000)</u>	<u>6,441,725</u>	<u>(6,585,639)</u>	<u>(41,086)</u>	<u>(774,000)</u>	<u>(2,356,000)</u>
Restricted fixed asset funds						
Restricted Fund Fixed assets	33,953,477	-	(787,559)	41,086	-	33,207,004
Devolved Formula Capital	-	85,418	(85,418)	-	-	-
Other DfE capital grant	4,417	-	(4,417)	-	-	-
	<u>33,957,894</u>	<u>85,418</u>	<u>(877,394)</u>	<u>41,086</u>	<u>-</u>	<u>33,207,004</u>
Total Restricted funds	<u>32,560,894</u>	<u>6,527,143</u>	<u>(7,463,033)</u>	<u>-</u>	<u>(774,000)</u>	<u>30,851,004</u>
Total funds	<u><u>32,878,026</u></u>	<u><u>6,801,307</u></u>	<u><u>(7,919,949)</u></u>	<u><u>-</u></u>	<u><u>(774,000)</u></u>	<u><u>30,985,384</u></u>

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17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	32,427,822	32,427,822
Current assets	161,592	-	-	161,592
Creditors due within one year	(32,209)	-	-	(32,209)
Provisions for liabilities and charges	-	(1,941,000)	-	(1,941,000)
Total	129,383	(1,941,000)	32,427,822	30,616,205

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	33,207,004	33,207,004
Current assets	234,244	-	-	234,244
Creditors due within one year	(99,864)	-	-	(99,864)
Provisions for liabilities and charges	-	(2,356,000)	-	(2,356,000)
Total	134,380	(2,356,000)	33,207,004	30,985,384

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(1,027,179)	(1,118,642)
Adjustments for:		
Depreciation	789,809	787,559
Interest receivable	(157)	(222)
Change in debtors	62,002	(122,554)
Change in creditors	(67,655)	85,834
Pension adjustment	243,000	185,000
Net cash used in operating activities	(180)	(183,025)

19. Cash flows from financing activities

	2020 £	2019 £
Interest receivable	157	222
Net cash provided by financing activities	157	222

20. Cash flows from investing activities

	2020 £	2019 £
Purchase of tangible fixed assets	(10,627)	(41,086)
Net cash used in investing activities	(10,627)	(41,086)

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	97	10,747
Total cash and cash equivalents	97	10,747

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	10,747	(10,650)	97
Bank overdrafts repayable on demand	-	(1,383)	(1,383)
	10,747	(12,033)	(1,286)
	10,747	(12,033)	(1,286)

23. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and
- 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 £696,788 (2019 - £749,528).

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

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

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 2020 was £259,000 (2019 - £250,000), of which employer's contributions totalled £204,000 (2019 - £196,000) and employees' contributions totalled £ 55,000 (2019 - £54,000). The agreed contribution rates for future years are 13% per cent for employers and 5.5% - 12.5% per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020	2019
	Years	Years
Retiring today		
Males	22.1	21.7
Females	24.3	23.7
Retiring in 20 years		
Males	22.8	22.4
Females	25.5	25.0

As at the 31 August 2020 the Academy had a pension liability of £1,941,000 (2019 - £2,356,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way;

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	(133,254)	(142,978)
Discount rate -0.1%	133,254	142,978
Mortality assumption - 1 year increase	48,456	51,992
Mortality assumption - 1 year decrease	(48,456)	(51,992)
CPI rate +0.1%	121,140	116,982
CPI rate -0.1%	(121,140)	(116,982)

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23. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	1,935,000	1,936,000
Property	617,000	453,000
Cash and other liquid assets	288,000	288,000
Other	1,276,000	1,442,000
Total market value of assets	4,116,000	4,119,000

The actual return on scheme assets was £180,000 (2019 - £254,000).

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

	2020 £	2019 £
Current service cost	(403,000)	(306,000)
Past service cost	-	(34,000)
Interest income	76,000	105,000
Interest cost	(120,000)	(146,000)
Total amount recognised in the Statement of Financial Activities	(447,000)	(381,000)

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

	2020 £	2019 £
At 1 September	6,476,000	5,070,000
Current service cost	403,000	306,000
Interest cost	120,000	146,000
Employee contributions	55,000	54,000
Actuarial (gains)/losses	(914,000)	923,000
Benefits paid	(83,000)	(57,000)
Past service costs	-	34,000
At 31 August	6,057,000	6,476,000

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23. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	4,120,000	3,673,000
Interest income	76,000	105,000
Actuarial (losses)/gains	(256,000)	149,000
Employer contributions	204,000	196,000
Employee contributions	55,000	54,000
Benefits paid	(83,000)	(57,000)
At 31 August	<u>4,116,000</u>	<u>4,120,000</u>

24. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	90,663	101,591
Later than 1 year and not later than 5 years	124,235	214,898
	<u>214,898</u>	<u>316,489</u>

25. 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.

26. Related party transactions

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

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.