

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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THE SCHELWOOD TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023

Members: Ajma Azam
Krishna Chinthapalli
Anthony Rodden (appointed 30.3.23)
Margaret Waller

Trustees: Jonathan Reekie, Chair 1
Wendy Barnett 1
Julian Ingram 1
Krishna Iyer 1 (resigned 4.1.2023)
Joanne Rockall 1
Jamie Rockman 1
Paul Rowley 1
Salima Shariff 1

¹ Director of the company

Company Secretary & CFO: Judith Vucic

Company Name: The Schelwood Trust

Registered Office: Northampton Avenue
Slough
Berkshire
SL1 3BW

Company Registration Number: 07899845

Accounting Officer Joanne Rockall

Senior Management Team: The Schelwood Trust:

Karen Crump – Trust Human Resources Manager
Joanne Rockall – Senior Executive Lead and Accounting Officer
Anita Spires – Headteacher, Beechwood School
Judith Vucic – Chief Finance Officer
Kathy Jakeman – Trust Network Manager

Beechwood School:

Anita Spires - Headteacher
Julie Noctor - Deputy Headteacher
Iain Priestley – Deputy Headteacher
Isaac Alabi – Deputy Headteacher
Kathryn Byrom – Assistant Headteacher
Mike Gaffin – Assistant Headteacher
Karen Crump – HR Manager

Herschel Grammar School:

Joanne Rockall – Headteacher
Michael Bourne – Deputy Headteacher
Steven Devereux – Deputy Headteacher
Chloe Barton – Assistant Headteacher
Katrina Rodriguez – Assistant Headteacher
Graham Parsons – Assistant Headteacher
Giles Whittaker – Assistant Headteacher
Judith Vucic - School Business Manager

THE SCHELWOOD TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

| | |
|-----------------------------|--|
| Independent Auditor: | BKL Audit LLP 35 Ballards Lane London N3 1XW |
| Bankers: | Lloyds Bank plc 123 High Street Town Centre Slough SL1 1EH |
| Solicitors: | Winckworth Sherwood Minerva House 5 Montagu Close London SE1 9BB |

THE SCHELWOOD TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

Chair's Statement

It is a privilege to introduce my sixth annual report as Chair of the Schelwood Trust. A good many of the challenges of educating our young people during the Covid-19 pandemic have eased, but the legacy of learning gaps and the impact on the mental health of children cannot be underestimated. Consequently, 2022-23 was a year of challenge as we tackled these barriers, using resources and expertise to secure happy, confident learners. I am pleased to report that our two schools have responded extremely well and have done all they could to build confidence and resilience so that our pupils and students were able to achieve success. I therefore pay tribute to the talented team of leaders and all staff for their dedication and commitment in difficult times. The Year 11 and 13 were able to sit public examinations which were much closer to those taken pre-pandemic in 2019, and as shown in this report, result are at least in line with 2019 outcomes and there are significant improvements in key areas.

Work on centralised Trust services, particularly HR, Finance and IT has made significant progress under the new structure of a single Executive Lead and far greater collaboration on school improvement has been undertaken, the rewards of which are beginning to be evidenced in both the culture of the Trust and the pupil outcomes of the individual schools.

The Trust was pleased with the positive comments made by Ofsted during its inspection of Beechwood School particularly its recognition of Sixth Form provision and Personal Development. However, we recognise that there is still significant school improvement work to be done. The Trust had already identified and was working on the areas for development prior to the inspection. We are confident that real positive change is being effected and that the challenge, monitoring and evaluation are robust and effective.

I am confident that the Trust has the capacity, resources and expertise to secure the overall Trust and individual school improvement required and ensure all our pupils and students are able to succeed.

Jon Reekie

Jonathan Reekie

THE SCHELWOOD TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

| |
|--|
| Our Mission |
| To use the power of education to create real opportunities that transform lives |
| Our Vision |
| By 2025 the trust will be recognised locally and regionally as a highly effective MAT delivering outstanding results. This will be achieved by ensuring our young people develop the skills, qualities and attributes to enable them to pursue and enjoy successful and fulfilling lives, both professionally and personally. We believe in providing life transforming education for our young people, who come from diverse backgrounds and have a wide variety of needs. Education creates the opportunity for them to overcome social injustice, inequality and ensure social mobility. |
| Our Values |
| Our values are our overarching guide for all we want to achieve at The Schelwood Trust. All staff, students, Governors, Trustees and Members share a commitment to the values, and this ensures we put our young people at the heart of every decision. |
| Ambition – We set high standards of excellence, take responsibility and are accountable. We have the rigour to deliver a continuous cycle of school improvement which ensures students can overcome barriers to learning and achieve success. |
| Inclusion - We love our diverse community, and we see difference as a source of strength. We care for every member of our Trust community and act with kindness at all times. |
| Respect - We have respect and take responsibility for self and others, for learning achievement and opportunity, for hard work and determination and for our community and environment |
| Our Aims |
| We will work collaboratively, openly and honestly across the Trust to: <ul style="list-style-type: none">● Ensure that all our students have access to a curriculum and educational provision that supports outstanding learning, development and achievement● Ensure that every student has the equality of opportunity to maximise their potential● Celebrate the uniqueness and diverse range of young people in each of our schools● Support our students to strive for excellence and overcome disadvantage● Support the development and training of outstanding teachers and practitioners, giving them the opportunity to excel and share best practice● Support our staff to become highly skilled professionals, whilst ensuring their well-being |

THE SCHELWOOD TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Summary

The Trust operates two secondary schools in Slough, which are Beechwood School and Herschel Grammar School. The combined capacity is 1805 and they had a roll of 1941 in the October 2022 school census.

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

| | Beechwood (2022) | Herschel Grammar (2022) |
|---|------------------|-------------------------|
| Admission policy | Non-Selective | Selective |
| % Pupil Premium | 40 | 9 |
| % Free School Meals | 38 | 8 |
| % English as Additional Language | 41 | 47 |

Despite these challenges our student's exam results were very encouraging across both schools with improvements in all areas. Public examinations returned to a pre-pandemic normality. The change figures are therefore the change between 2023 examination results and 2019 examination results in line with Department for Education guidance.

| | Beechwood | | Herschel Grammar | |
|---|--------------------|-----|--------------------|------|
| | % Change from 2019 | | % Change from 2019 | |
| GCSE English and Maths 5+ | 22 | -5 | 99 | 0 |
| GCSE passing 2 Science 4+ | 32 | -19 | 99 | 0 |
| A Levels % A* - C* | 48 | -18 | 83 | 0 |
| BTEC Level 3 A* - C | 31 | -18 | n/a | n/a |
| Average point score by entry A Level | 25 | -5 | 39.2 | +1.2 |
| Average point score by entry BTEC | 25 | -3 | n/a | n/a |

Herschel Grammar was rated Outstanding by Ofsted in 2012 and Beechwood was rated in 2023 as 'requiring improvement'.

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

THE SCHELWOOD TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Schelwood Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Schelwood Trust.

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

Members' Liability

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

Trustees' Indemnities

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

Method of Recruitment and Appointment or Election of Trustees

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

Policies and Procedures Adopted for the Induction and Training of Trustees

Most of the Trustees have many years of experience in school governance. New trustees are required to attend an induction training course. Further training and development are identified in relation to the needs of new Trustees. Specific finance training for Trustees is conducted by the CFO and data training is provided by the Trust's Headteachers as well as through NGA and other governance networks. Safeguarding training is provided through The Key for Governors and Slough Borough Council.

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

Organisational Structure

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

- Trust Board,
- Finance, Audit and Risk Committee
- Appraisal and Pay Committee
- Local Governing Boards (LGBs) at the two Schools.

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

- Level 1 – Trustees (Trust Board)
- Level 2 – Committees of the Trust Board
- Level 3 – Senior Executive Lead
- Level 4 – Headteacher

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Arrangements for setting pay and remuneration of key management personnel

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

Targets for the schools' Senior Leadership Teams are set by the Headteachers of their individual schools who line manage those staff. The Appraisal and Pay Committee meets on two occasions during the year and the purpose of those meetings is to ensure that performance management is correctly carried out during the year and to be made aware of any members of the whole staff whose performance is a concern. At the same time, the progress of the Executive Lead and her targets are monitored.

Trade Union Facility Time

| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
|---|--------------------------------------|
| 1 | 0.0025 |
| Percentage of time spent on facility time | Number of employees |
| 0-1% | 1 |
| 1-50% | 0 |
| 51-99% | 0 |
| 100% | 0 |
| Percentage of pay bill spent on facility time | |
| Total cost of facility time | £187 |
| Total pay bill | £9,801,000 |
| Percentage of the total pay bill spent on facility time, | Negligible |
| Time spent on paid trade union activities as a percentage of total paid facility time hours | Negligible |

Related parties and other connected charities and organisations

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

Objectives and Activities

Objects and Aims

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

This is an extract from the Objects in our 2016 Articles of Association which help to define our mission and vision.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and Aims (continued)

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

Specifically, our objectives for both our academies are:

- For Beechwood School to be a first-choice secondary school in Slough. The aim is to advance Beechwood School from its present OFSTED rating as 'requires improvement' to 'good' then 'outstanding'.
- For Herschel Grammar School to be a first-choice selective school in Slough. We aim to maintain the school's OFSTED rating of 'outstanding'

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

Objectives, Strategies and Activities

| No. | Strategic Priorities 2022/23 | Targeted Areas 2022/23 |
|-----|---|--|
| 1 | Securing outstanding standards across the Trust and therefore outstanding achievement for all of the young people and families we serve | <ul style="list-style-type: none"> • Curriculum development for deep learning and high quality pathways • Development of SEND provision across the Trust • Targeted resources and support for vulnerable groups • CPD and development of PSHCE and character education • Improving attendance • Continued development of support for pupil wellbeing |
| 2 | Developing our Trust governance and people strategies in order to secure our standards and achievement objective | <ul style="list-style-type: none"> • Continue to develop and improve recruitment • Focus on staff wellbeing, talent management and succession planning • Implementation of digital HR platform • Governance development – safeguarding and challenge around education standards • Vision and strategy for People, School Improvement, ICT and Estates |

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and Activities (continued)

Evaluation

Curriculum pathways developed and well understood by staff, pupils and parents. SENDCo working across both schools, practice aligned around provision mapping and access arrangements managed by a member of staff working across both schools.

CPD took place around PSHCE and character education. At Herschel Grammar School PSHCE modules have been systematically reviewed and are responsive to the needs of the cohort. Personal Development secured a 'good' judgement in Beechwood's Ofsted inspection.

Funding for additional staff, services and resources secured from the Trust Board to increase the support for pupil wellbeing, behaviour and attendance. Attendance is a national focus. Both schools are engaged in SBC working party and national attendance strategies.

Staff recruitment for 2023/24 has been successful with both schools fully staffed with teachers in September. Staff turnover was lower than in the previous years as a result of the sharp focus on staff wellbeing and work/life balance. The quality of staff we have recruited has also increased with teachers deciding to return to the profession and graduates seeing it as a secure career choice. Digital HR platform has been purchased and data transfer is underway.

Trustees and LGB's have had safeguarding training. It was a focus at our Trust Conference in June 2023. Vision and strategy for People, School Improvement, ICT and Estates were also discussed at the conference. This underpins the 2023-24 Trust Development Plan.

| No. | Strategic Priorities 2023/24 | Targeted Areas 2023/24 |
|-----|---|---|
| 1 | Securing outstanding standards across the Trust and therefore outstanding achievement for all of the young people and families we serve | <ul style="list-style-type: none"> • Developing a coaching culture for professional learning to ensure consistency of quality practice • Consistent high-quality practice across all subject areas • Improve attendance • Closing the gaps in educational experience and outcomes • Effective approaches to support pupil wellbeing and resilience (trauma informed and restorative) |
| 2 | Securing outstanding governance and leadership in order to secure our standards and achievement objective. | <ul style="list-style-type: none"> • Develop flexible working practices to recruit and retain staff • Develop and support governance to challenge and hold leaders to account • Develop ICT infrastructure and meet Digital and Technical standards |

Public Benefit

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Public Benefit (continued)

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

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

Strategic Report

Achievements and performance

The trust is proud of the continued improvement in our overall performance. Our key measure is how well we are doing in delivering our Mission.

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

Targets

Given the differences in our two schools, highlighted earlier in this report, we develop specific targets for each school. In line with DfE policy this year our 2023 results are compared with 2019 outcomes.

Beechwood School

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

Student Progress

| | Actual 2018/19 | Target 2022/23 | Actual 2022/23 |
|--------------------------|-----------------------|-----------------------|-----------------------|
| Progress 8 | -0.47 | -0.07 | -0.9* |
| Progress 8 Pupil Premium | -0.75 | -0.15 | -1.23* |
| Attainment 8 | 39 | 42 | 31.88 |
| % Neet Key Stage 4 | 0 | 0 | 1% |
| % Neet Key Stage 5 | 0 | 0 | 2% |

**Estimated as P8 has not been definitively calculated this year yet.*

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

GCSE Outcomes – Comparative data:

| | 2019 Results | Targets 2023 | 2023 Results |
|-----------------------------------|--------------|--------------|--------------|
| % English (Lit/Lang) and Maths 4+ | 49 | 73 | 44 |
| % English (Lit/Lang) and Maths 5+ | 27 | 33 | 22 |
| % English (Lit/Lang) and Maths 7+ | 7 | 2.1 | 1.4 |
| % Maths 4+ | 54 | 76 | 48 |
| % Maths 5+ | 33 | 38 | 28 |
| % English 4+ | 72 | 84 | 63 |
| % English 5+ | 52 | 45 | 39 |
| % Passing 2 Science (4+) | 51 | 76 | 32 |

A Level and BTEC level 3 Results combined – Comparative outcomes:

| | 2019 Results | 2023 Results |
|--------------------------------|--------------|--------------|
| %A* to C A Level | 66 | 48 |
| % A* to C BTEC | n/a | 31 |
| %A* to E | 97 | 95 |
| Average point score by student | 89 | 65 |
| Average point score by entry | 30 | 25 |

**Targets for 2023 are not available as they are based on the GCSE outcomes which for this cohort were Teacher Assessed Grades. Nationally these were higher than in 'normal' years.*

The Year 13 cohort comprised 57 students. This means that one or two students not achieving their target grades has a big impact overall. The BTEC cohort comprised 23 students.

Key performance indicators - Herschel Grammar School

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

Student Progress

| | Actual 2018/19 | Target 2022/23 | Actual 2022/23 |
|--------------------------|----------------|----------------|----------------|
| Progress 8 | +0.97 | +0.6 - +1.0 | +0.77* |
| Progress 8 Pupil Premium | +0.65 | +0.6 - +1.0 | +0.07* |
| Attainment 8 | 74 | 72 | 76 |
| % Neet Key Stage 4 | 0 | 0 | 0 |
| % Neet Key Stage 5 | 0 | 0 | 0 |

**Estimated as P8 has not been definitively calculated for this year*

THE SCHELWOOD TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

GCSE Outcomes – Comparative outcomes:

| | 2019 Results | Targets 2023 | 2023 Results |
|-----------------------------------|--------------|--------------|--------------|
| % English (Lit/Lang) and Maths 4+ | 99 | 100 | 99 |
| % English (Lit/Lang) and Maths 5+ | 94 | 99 | 99 |
| % English (Lit/Lang) and Maths 7+ | 61 | 67 | 77 |
| % Maths 4+ | 99 | 100 | 100 |
| % Maths 5+ | 96 | 100 | 99 |
| % Maths 7+ | 79 | 84 | 86 |
| % English 4+ | 100 | 100 | 99 |
| % English 5+ | 97 | 99 | 99 |
| % English 7+ | 74 | 71 | 86 |
| % Passing 2 Science (4+) | 99 | 100 | 99 |

A Level Results – Comparative outcomes:

| | 2019 Results | 2023 Results |
|---------------------------------|--------------|--------------|
| % A* to A | 39 | 37 |
| % A* to B | 64 | 67 |
| % A* to C | 83 | 83 |
| % A* to E | 98 | 99 |
| Average point scored by Student | 113 | 119 |
| Average point score by entry | 38 | 39 |

**Targets for 2023 are not available as they are based on the GCSE outcomes which for this cohort were Teacher Assessed Grades. Nationally these were higher than in 'normal' years.*

Going concern

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

Strategic Financial Review

Finance Review

The financial outcome for the year ended 31st August 2023 is summarised below.

| | To 31 st August 2023 £,000's | To 31 st August 2022 £,000's |
|---|--|--|
| Operating Surplus before LGPS service costs | 173 | 498 |
| Surplus (Deficit) prior to actuarial losses on defined benefit pension scheme | (147) | (686) |
| Actuarial gains (losses) on defined benefit pension scheme | 830 | 4,446 |
| Net movement of funds | 683 | 3,760 |
| Restricted Funds | 52,648 | 52,129 |
| Unrestricted Income Funds | 790 | 626 |

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Finance Review (continued)

The Trust achieved an operating surplus before depreciation of £173,000 during this financial year compared with £498,000 in the previous year. The Trust has seen some increase in GAG funding primarily due to higher pupil numbers but at the same time the costs increased across the board following high inflation, large increases in utility costs and staffing costs. The surplus translates into a negative movement of funds before Actuarial gains/(losses) amounting to (£147,000), as a result of capital grant income of £509,000 less depreciation of £640,000 and less the service costs of the Local Government Defined Benefit Pension schemes amounting to £189,000. These service costs are a non-cash item which must be accounted for, although the liability is guaranteed by Parliament.

Actuarial Gains on the Local Government Defined Benefit Pension Schemes amounted to £830,000, which brings the Net Accounting Surplus on the Statement of Financial Activities to £683,000 for the year. These Actuarial Gains are a non-cash item which must be accounted for.

The Trustees monitor the operating surplus and deficit on a regular basis and believe it is a fair and appropriate measure of the Trust's financial performance. The Trustees also pay close attention to cash and working capital. Net current assets increased by £372,000 to £2,193,000 during the year. The Trust has been successful at a CIF bid for Herschel Grammar School and at the end of August we are holding just over £200k in cash/reserves earmarked for the project which commenced in October '23.

Principal Source of Funding

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

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

Pension liabilities

The Local Government Pensions Scheme (LGPS) (administered by The Royal County of Berkshire Pension Fund) shows as a significant liability on the balance sheet of £1,112,000 though reduced compared to last year. This liability is covered by the net assets excluding pension liability of the Trust which amount £54,550,000 bringing the net asset position to £53,438,000. The liability is shown on the balance sheet but is covered by a Government guarantee as detailed in the notes to the accounts number 24.

Reserves Policy

Reserves are monitored Via the Trust's Finance, Audit & Risk Committee. They are used to improve the school's buildings stock and where possible to increase accommodation. However, a prudent policy for the use of reserves is followed in view of uncertainty about future funding and in particular the introduction of a national funding formula. The trust relies heavily on the DfE Minimum Funding Guarantee (MFG) and projected budgets over a 3 -year period show a need to hold reserves to allow the trust to down manage expenditure efficiently over a period of time as funding becomes tighter and staffing costs increase through pay rises, increased NIER costs and increased pension contributions together with inflationary pressures.

Total funds of £53,438,000 are held as of 31 August 2023. There are £53,760,000 restricted funds held (including £1,156,000 revenue funds) and £790,000 unrestricted (revenue) funds.

The Trust has a medium- term aim of building back available revenue funds to a level that covers 1 month's running [including staff] costs. This amounts to £1,080,000 versus current revenue funds of £2,193,000.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

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

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

Principal risks and uncertainties

Trustees are provided with budget forecasts over a 3-year period. These indicate possible financial pressure in the future and are based on the funding formula being static but expenditure rising through inflation, staff pay rises, an increase in national insurance contributions and further increases in pension contributions. In addition, there is still uncertainty around the introduction of a national funding formula and a reliance on the MFG. Up to now the Trust has always been able to balance expenditure against income on a yearly basis without recourse to carry forward balances. This has meant that the Trust is currently in a healthy financial position as far as carry forward balances are concerned, and these are being held in reserve for future building costs and to cushion any future budget pressures. However, it is recognised that savings in budget areas will need to be achieved in the future and this aspect of finance receives particular attention by the Board of the Trust as we go forward into 2024 and beyond.

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

Fundraising

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

Plans for Future Periods - Our long term Aims

Having moved from a collaborative executive leadership model to a single Senior Executive Lead back in September 2021 this has continued to work really well for the Trust. Any future expansion plans will be phased so that the current core of the Trust, Beechwood and Herschel Schools, are not compromised. We continue to give due consideration to achieving economies of scale across the various functions including Finance, IT and HR. Continuing to provide excellent education will remain to be our top priority and resources have been set aside in the coming budget to support our students in achieving their potential.

Funds Held as Custodian Trustee on Behalf of Others

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

Auditor

Insofar as the Trustees are aware:

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

BKL were reappointed by Members as auditors at their meeting on 7.12.2023.

The Trustees' Report was approved by order of the Board of Trustees, as the company directors, on 12 December 2023 and signed on its behalf by:

Jon Reekie

Jonathan Reekie
Chair of the Board of Trustees

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees we have reviewed and taken account of the guidance in the Department for Education's governance handbook and competency framework for governance

The Board of Trustees has delegated the day-to-day responsibility to the Senior Executive Lead, Headteachers, and the Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Schelwood Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee | Meetings Attended | Out of a Possible |
|--------------------------------|--------------------------|--------------------------|
| Jonathan Reekie (Chair) | 4 | 4 |
| Wendy Barnett | 3 | 4 |
| Julian Ingram | 3 | 4 |
| Krishna Iyer (resigned 4.1.23) | 1 | 2 |
| Joanne Rockall | 4 | 4 |
| Jamie Rockman | 4 | 4 |
| Paul Rowley | 2 | 4 |
| Salima Shariff | 3 | 4 |

The changes to the board of Trustees during the year 2022/23 are shown on page 3. A competency audit was conducted during the year.

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

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

| FAR Members | Meetings Attended | Out of a Possible |
|--------------------------------|-------------------|-------------------|
| Paul Rowley (Chair) | 5 | 5 |
| Wendy Barnett | 5 | 5 |
| Jamie Rockman | 5 | 5 |
| Krishna Lyer (resigned 4.1.23) | 0 | 2 |
| Jonathan Reekie | 5 | 5 |
| Joanne Rockall | 5 | 5 |

Review of value for money

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

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

Better Purchasing

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

Income Generation

- Following the impact of Covid-19 on lettings Herschel has managed to recruit a lettings company who will be making the school and sports facilities available to the wider public and create a revenue stream for the school.
- Continuing to explore sourcing other avenues of financing projects within the Trust.
- Continuing the practice of outsourcing each school's various services and generating a revenue stream.

Reviewing controls and Managing Risk

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Schelwood Trust for the period 1 September 2022 to 31 August 2023 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

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

The process of Internal Scrutiny gives advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks carried out in the current period included the following three areas as highlighted as priorities in the Trust Risk Register:

- Review of Finance and IT functions by CJK Associates
- Review of Governance by Confederation of School Trusts
- GDPR Audit by Sentry

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 12 December 2023 and signed on their behalf by:

Jon Reekie

Jonathan Reekie
Chair of the Board of Trustees

Jo Rockall

Joanne Rockall
Accounting Officer

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Schelwood Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2022.

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.

Jo Rockall

Joanne Rockall
Accounting Officer
Date: 12 December 2023

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 12 December 2023 and signed on its behalf by:

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of The Schelwood Trust (the 'academy') for the year ended 31 August 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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

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

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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 including the Strategic Report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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

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

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Use of our report

This report is made solely to the Academy'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.

Carly Pinkus

Carly Pinkus (Senior Statutory Auditor)

for and on behalf of

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

12 December 2023

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 6 January 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Schelwood Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Schelwood Trust's funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 12 December 2023

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Note | | | | | |
| Income from: | | | | | |
| Donations and capital grants | 3 | - | - | 509 | 509 |
| Other trading activities | 5 | 641 | 667 | - | 1,308 |
| Charitable activities | 4 | - | 13,352 | - | 13,352 |
| Total income | 641 | 14,019 | 509 | 15,169 | 13,610 |
| Expenditure on: | | | | | |
| Raising funds | | - | - | - | 18 |
| Charitable activities | 7 | 477 | 14,199 | 640 | 15,316 |
| Total expenditure | 477 | 14,199 | 640 | 15,316 | 14,296 |
| Net income/(expenditure) | 164 | (180) | (131) | (147) | (686) |
| Transfers between funds | 17 | - | (48) | 48 | - |
| Net movement in funds before other recognised gains | 164 | (228) | (83) | (147) | (686) |
| Other recognised gains: | | | | | |
| Actuarial gains on defined benefit pension schemes | 24 | - | 830 | - | 830 |
| Net movement in funds | 164 | 602 | (83) | 683 | 3,760 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 626 | (558) | 52,687 | 52,755 | 48,995 |
| Net movement in funds | 164 | 602 | (83) | 683 | 3,760 |
| Total funds carried forward | 790 | 44 | 52,604 | 53,438 | 52,755 |

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

The notes on pages 30 to 54 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

| | Note | 2023 £000 | 2022 £000 |
|--|------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 13 | 52,357 | 52,687 |
| | | 52,357 | 52,687 |
| Current assets | | | |
| Stocks | 14 | 2 | 3 |
| Debtors | 15 | 517 | 440 |
| Cash at bank and in hand | | 2,871 | 1,997 |
| | | 3,390 | 2,440 |
| Creditors: amounts falling due within one year | 16 | (1,197) | (619) |
| Net current assets | | 2,193 | 1,821 |
| Total assets less current liabilities | | 54,550 | 54,508 |
| Net assets excluding pension liability | | 54,550 | 54,508 |
| Defined benefit pension scheme liability | 24 | (1,112) | (1,753) |
| Total net assets | | 53,438 | 52,755 |
| Funds of the Academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 17 | 52,604 | 52,687 |
| Restricted income funds | 17 | 1,156 | 1,195 |
| | | 53,760 | 53,882 |
| Restricted funds excluding pension asset | 17 | 53,760 | 53,882 |
| Pension reserve | 17 | (1,112) | (1,753) |
| Total restricted funds | 17 | 52,648 | 52,129 |
| Unrestricted income funds | 17 | 790 | 626 |
| Total funds | | 53,438 | 52,755 |

The financial statements on pages 27 to 54 were approved by the Trustees, and authorised for issue on 12 December 2023 and are signed on their behalf, by:

Jon Reekie

Jonathan Reekie
Chair of the Board of Trustees

The notes on pages 30 to 54 form part of these financial statements.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

| | Note | 2023 | 2022 |
|---|-------------|--------------|-------------|
| | | £000 | £000 |
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | 675 | 465 |
| Cash flows from investing activities | | | |
| | 20 | 199 | (308) |
| Change in cash and cash equivalents in the year | | 874 | 157 |
| Cash and cash equivalents at the beginning of the year | | 1,997 | 1,840 |
| Cash and cash equivalents at the end of the year | 21, 22 | 2,871 | 1,997 |

The notes on pages 30 to 54 form part of these financial statements

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 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.

1.3 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.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

These are costs incurred on the Academy'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.

1.5 Government grants

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

1.6 Interest receivable

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

1.7 Tangible fixed assets

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

| | |
|------------------------------|---|
| Freehold property | - Buildings - over the estimated lives of the components. Land is not depreciated |
| Long-term leasehold property | - 125 years |
| Leasehold improvements | - 10 years |
| Furniture and equipment | - 5 years |
| Plant and machinery | - 3-5 years |

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

1.8 Stocks

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

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

1.12 Financial instruments

The Academy 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 15. Prepayments are not financial instruments.

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 16. 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.

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.13 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.

1.14 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.

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

3. Income from donations and capital grants

| | Unrestricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|----------------|---|---|--|--|
| Donations | - | - | - | 25 |
| Capital grants | - | 509 | 509 | 42 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | 509 | 509 | 67 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total 2022 | 25 | 42 | 67 | |
| | <hr/> | <hr/> | <hr/> | |

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy's charitable activities

| | Restricted funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|---|---|--|--|
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | 12,236 | 12,236 | 11,649 |
| Other DfE/ESFA grants | | | |
| Pupil premium | 348 | 348 | 385 |
| Others | 258 | 258 | 136 |
| Mainstream schools additional grant | 142 | 142 | - |
| Supplementary grant | 290 | 290 | 121 |
| | <hr/> | <hr/> | <hr/> |
| | 13,274 | 13,274 | 12,291 |
| Other Government grants | | | |
| Local authority grants | 78 | 78 | 116 |
| | <hr/> | <hr/> | <hr/> |
| | 78 | 78 | 116 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Other DfE/ESFA Covid-19 funding | - | - | 138 |
| | <hr/> | <hr/> | <hr/> |
| | - | - | 138 |
| | <hr/> | <hr/> | <hr/> |
| | 13,352 | 13,352 | 12,545 |
| | <hr/> | <hr/> | <hr/> |
| | 13,352 | 13,352 | 12,545 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|------------------|---|---|--|--|
| Catering income | - | 257 | 257 | 233 |
| Transport income | 576 | - | 576 | 526 |
| Lettings income | 65 | - | 65 | 40 |
| Other income | - | 131 | 131 | 76 |
| Trip income | - | 279 | 279 | 73 |
| Insurance claim | - | - | - | 50 |
| | <u>641</u> | <u>667</u> | <u>1,308</u> | <u>998</u> |
| | <u>641</u> | <u>667</u> | <u>1,308</u> | <u>998</u> |
| Total 2022 | <u>565</u> | <u>433</u> | <u>998</u> | |

6. Expenditure

| | Staff Costs 2023 £000 | Premises 2023 £000 | Other 2023 £000 | Total 2023 £000 | Total 2022 £000 |
|--|--------------------------------------|-----------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Expenditure on raising voluntary income: | | | | | |
| Direct costs | - | - | - | - | 18 |
| Educational activities: | | | | | |
| Direct costs | 8,610 | - | 1,098 | 9,708 | 9,014 |
| Allocated support costs | 1,499 | 2,800 | 1,309 | 5,608 | 5,264 |
| | <u>10,109</u> | <u>2,800</u> | <u>2,407</u> | <u>15,316</u> | <u>14,296</u> |
| | <u>10,109</u> | <u>2,800</u> | <u>2,407</u> | <u>15,316</u> | <u>14,296</u> |
| Total 2022 | <u>9,700</u> | <u>2,421</u> | <u>2,175</u> | <u>14,296</u> | |

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £000 | Support costs 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|------------------------|---|--|--|--|
| Educational activities | 9,708 | 5,608 | 15,316 | 14,278 |
| Total 2022 | 9,014 | 5,264 | 14,278 | |

Analysis of direct costs

| | Educational activities 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|-------------------------|---|--|--|
| Staff costs | 8,420 | 8,420 | 7,882 |
| Educational supplies | 491 | 491 | 476 |
| Examination fees | 240 | 240 | 162 |
| Staff development | 31 | 31 | 32 |
| Supply teaching costs | 120 | 120 | 105 |
| Recruitment and support | 116 | 116 | 89 |
| Technology costs | 290 | 290 | 268 |
| | 9,708 | 9,708 | 9,014 |

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Educational activities 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|---------------------------------------|---|--|--------------------------------|
| Pension finance costs | 67 | 67 | 90 |
| Staff costs | 1,381 | 1,381 | 1,214 |
| Depreciation | 640 | 640 | 658 |
| Maintenance of premises and equipment | 195 | 195 | 183 |
| Cleaning | 146 | 146 | 140 |
| Rent & rates | 105 | 105 | 94 |
| Insurance | 42 | 42 | 38 |
| Security and transport | 477 | 477 | 417 |
| Catering | 256 | 256 | 230 |
| Other support costs | 360 | 360 | 230 |
| Energy | 655 | 655 | 401 |
| PFI Unitary and management charges | 1,102 | 1,102 | 1,018 |
| Agency supply costs - support staff | - | - | 18 |
| Non-cash pension costs | 118 | 118 | 478 |
| Governance costs | 64 | 64 | 55 |
| | <u>5,608</u> | <u>5,608</u> | <u>5,264</u> |

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2023 £000 | 2022 £000 |
|---------------------------------------|----------------------|--------------|
| Operating lease rentals | 32 | 22 |
| Depreciation of tangible fixed assets | 640 | 658 |
| Fees paid to auditors for: | | |
| - audit | 13 | 12 |
| - other services | 1 | 1 |
| | <u>1</u> | <u>1</u> |

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2023 | 2022 |
|------------------------|---------------|-------|
| | £000 | £000 |
| Wages and salaries | 7,446 | 6,885 |
| Social security costs | 814 | 768 |
| Pension costs | 1,541 | 1,443 |
| | 9,801 | 9,096 |
| Agency staff costs | 190 | 126 |
| Non cash pension costs | 118 | 478 |
| | 10,109 | 9,700 |

b. Staff numbers

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

| | 2023 | 2022 |
|----------------------------|-------------|------|
| | No. | No. |
| Teachers | 103 | 108 |
| Administration and Support | 66 | 64 |
| Management | 14 | 14 |
| | 183 | 186 |

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff (continued)

c. Higher paid staff

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

| | 2023 | 2022 |
|---------------------------------|--------------|--------------|
| | No. | No. |
| In the band £60,001 - £70,000 | 8 | 6 |
| In the band £70,001 - £80,000 | 3 | 5 |
| In the band £80,001 - £90,000 | 3 | - |
| In the band £90,001 - £100,000 | 1 | 1 |
| In the band £130,001 - £140,000 | - | 1 |
| In the band £140,001 - £150,000 | 1 | - |
| | ===== | ===== |

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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,480,810 (2022 - £1,482,960).

10. Central services

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

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:

| | | 2023 | 2022 |
|--------------|----------------------------|------------------|-----------|
| | | £000 | £000 |
| Ms J Rockall | Remuneration | 150 - 155 | 135 - 140 |
| | Pension contributions paid | 35 - 40 | 30 - 35 |

During the year, retirement benefits were accruing to no Trustees (2022 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Trustees' and Officers' insurance

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

13. Tangible fixed assets

| | Freehold property £000 | Long-term leasehold property £000 | Assets under construction £000 | Furniture and equipment £000 | Plant and machinery £000 | Total £000 |
|--------------------------|------------------------------|--|---|---------------------------------------|--------------------------------|----------------------|
| Cost or valuation | | | | | | |
| At 1 September 2022 | 30,511 | 25,839 | - | 12 | 540 | 56,902 |
| Additions | 63 | - | 105 | - | 142 | 310 |
| At 31 August 2023 | <u>30,574</u> | <u>25,839</u> | <u>105</u> | <u>12</u> | <u>682</u> | <u>57,212</u> |
| Depreciation | | | | | | |
| At 1 September 2022 | 2,574 | 1,223 | - | 12 | 406 | 4,215 |
| Charge for the year | 348 | 207 | - | - | 85 | 640 |
| At 31 August 2023 | <u>2,922</u> | <u>1,430</u> | <u>-</u> | <u>12</u> | <u>491</u> | <u>4,855</u> |
| Net book value | | | | | | |
| At 31 August 2023 | <u><u>27,652</u></u> | <u><u>24,409</u></u> | <u><u>105</u></u> | <u><u>-</u></u> | <u><u>191</u></u> | <u><u>52,357</u></u> |
| At 31 August 2022 | <u><u>27,937</u></u> | <u><u>24,616</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>134</u></u> | <u><u>52,687</u></u> |

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

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

Assets under construction relate to a £2,033,000 Condition Improvement Fund (CIF) funded project for fire safety and electrical improvements to be carried out at Herschel Grammar School. Work on the project had not commenced at 31 August 2023 and the costs to date relate to professional fees.

THE SCHELWOOD TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Stocks

| | 2023 | 2022 |
|-------------------|-----------------|-----------------|
| | £000 | £000 |
| Catering supplies | 2 | 3 |
| | <u><u>2</u></u> | <u><u>3</u></u> |

15. Debtors

| | 2023 | 2022 |
|--------------------------------|-------------------|-------------------|
| | £000 | £000 |
| Due within one year | | |
| Trade debtors | 162 | 60 |
| Other debtors | 166 | 161 |
| Prepayments and accrued income | 189 | 219 |
| | <u><u>517</u></u> | <u><u>440</u></u> |

16. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|--|---------------------|-------------------|
| | £000 | £000 |
| Trade creditors | 457 | 16 |
| Other taxation and social security | 190 | 179 |
| Accruals and deferred income | 550 | 424 |
| | <u><u>1,197</u></u> | <u><u>619</u></u> |
| | | |
| | 2023 | 2022 |
| | £000 | £000 |
| Deferred income at 1 September 2022 | 166 | 168 |
| Resources deferred during the year | 97 | 166 |
| Amounts released from previous periods | (166) | (168) |
| | <u><u>97</u></u> | <u><u>166</u></u> |

At the balance sheet date the academy trust was holding funds received in advance for the year 2023/2024 including trip income.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|--|---|----------------------|------------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 626 | 641 | (477) | - | - | 790 |
| Restricted general funds | | | | | | |
| GAG | 1,195 | 12,236 | (12,227) | (48) | - | 1,156 |
| Pupil premium | - | 348 | (348) | - | - | - |
| Supplementary grant | - | 290 | (290) | - | - | - |
| Mainstream schools additional grant | - | 142 | (142) | - | - | - |
| Other DfE/ESFA funding | - | 258 | (258) | - | - | - |
| Local authority grants | - | 78 | (78) | - | - | - |
| General | - | 667 | (667) | - | - | - |
| Pension reserve | (1,753) | - | (189) | - | 830 | (1,112) |
| | <u>(558)</u> | <u>14,019</u> | <u>(14,199)</u> | <u>(48)</u> | <u>830</u> | <u>44</u> |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - all funds | 52,687 | 394 | (640) | 48 | - | 52,489 |
| Release of sinking fund | - | 115 | - | - | - | 115 |
| | <u>52,687</u> | <u>509</u> | <u>(640)</u> | <u>48</u> | <u>-</u> | <u>52,604</u> |
| Total Restricted funds | <u>52,129</u> | <u>14,528</u> | <u>(14,839)</u> | <u>-</u> | <u>830</u> | <u>52,648</u> |
| Total funds | <u><u>52,755</u></u> | <u><u>15,169</u></u> | <u><u>(15,316)</u></u> | <u><u>-</u></u> | <u><u>830</u></u> | <u><u>53,438</u></u> |

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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

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

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

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

Designated funds have been used in the year to replace the Astroturf.

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 2023.

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

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|---------------------------------|---|----------------|---------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Designated Funds - all funds | 105 | - | - | (105) | - | - |
| General funds | | | | | | |
| General Funds - all funds | 505 | 566 | (435) | (10) | - | 626 |
| Total Unrestricted funds | 610 | 566 | (435) | (115) | - | 626 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|--|---|----------------------|------------------------|-----------------------------|----------------------------|---|
| Restricted general funds | | | | | | |
| GAG | 904 | 11,649 | (11,282) | (76) | - | 1,195 |
| Pupil premium | - | 385 | (385) | - | - | - |
| Supplementary grant | - | 138 | (138) | - | - | - |
| Mainstream schools additional grant | - | 373 | (373) | - | - | - |
| Other DfE/ESFA funding | - | 457 | (457) | - | - | - |
| Pension reserve | (5,631) | - | (568) | - | 4,446 | (1,753) |
| | <u>(4,727)</u> | <u>13,002</u> | <u>(13,203)</u> | <u>(76)</u> | <u>4,446</u> | <u>(558)</u> |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - all funds | 53,112 | 42 | (658) | 191 | - | 52,687 |
| Total Restricted funds | <u>48,385</u> | <u>13,044</u> | <u>(13,861)</u> | <u>115</u> | <u>4,446</u> | <u>52,129</u> |
| Total funds | <u><u>48,995</u></u> | <u><u>13,610</u></u> | <u><u>(14,296)</u></u> | <u><u>-</u></u> | <u><u>4,446</u></u> | <u><u>52,755</u></u> |

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

| | 2023 | 2022 |
|--|----------------|-------------|
| | £000 | £000 |
| Herschel Grammar School | 1,268 | 986 |
| Beechwood School | 678 | 835 |
| | <hr/> | <hr/> |
| Total before fixed asset funds and pension reserve | 1,946 | 1,821 |
| Restricted fixed asset fund | 52,604 | 52,687 |
| Pension reserve | (1,112) | (1,753) |
| | <hr/> | <hr/> |
| Total | 53,438 | 52,755 |
| | <hr/> <hr/> | <hr/> <hr/> |

Total cost analysis by academy

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

| | Teaching and educational support staff costs £000 | Other support staff costs £000 | Educational supplies £000 | Other costs excluding depreciation £000 | Total 2023 £000 | Total 2022 £000 |
|--------------------------------------|--|---|---------------------------------|--|-----------------------|-----------------------|
| Herschel Grammar School | 4,345 | 846 | 586 | 1,546 | 7,323 | 6,613 |
| Beechwood School | 4,265 | 531 | 701 | 1,667 | 7,164 | 6,457 |
| Local Government Pension costs | - | 122 | - | 67 | 189 | 568 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Academy | 8,610 | 1,499 | 1,287 | 3,280 | 14,676 | 13,638 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|--|---|---|---|--|
| Tangible fixed assets | - | - | 52,357 | 52,357 |
| Current assets | 790 | 2,353 | 247 | 3,390 |
| Creditors due within one year | - | (1,197) | - | (1,197) |
| Provisions for liabilities and charges | - | (1,112) | - | (1,112) |
| Total | 790 | 44 | 52,604 | 53,438 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|--|---|---|---|--|
| Tangible fixed assets | - | - | 52,687 | 52,687 |
| Current assets | 626 | 1,814 | - | 2,440 |
| Creditors due within one year | - | (619) | - | (619) |
| Provisions for liabilities and charges | - | (1,753) | - | (1,753) |
| Total | 626 | (558) | 52,687 | 52,755 |

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

| | 2023 | 2022 |
|---|--------------|-------|
| | £000 | £000 |
| Net expenditure for the year (as per Statement of Financial Activities) | (147) | (686) |
| Adjustments for: | | |
| Depreciation | 640 | 658 |
| Capital grants from DfE and other capital income | (509) | (42) |
| Defined benefit pension scheme cost less contributions payable | 118 | 474 |
| Defined benefit pension scheme finance cost | 67 | 90 |
| Decrease/(increase) in stocks | 1 | (2) |
| Increase in debtors | (77) | (175) |
| Increase in creditors | 578 | 144 |
| Defined benefit pension scheme administration expenses | 4 | 4 |
| Net cash provided by operating activities | 675 | 465 |

20. Cash flows from investing activities

| | 2023 | 2022 |
|--|--------------|-------|
| | £000 | £000 |
| Purchase of tangible fixed assets | (310) | (350) |
| Capital grants from DfE Group | 394 | 42 |
| Capital funding received from sponsors and others | 115 | - |
| Net cash provided by/(used in) investing activities | 199 | (308) |

21. Analysis of cash and cash equivalents

| | 2023 | 2022 |
|--|--------------|-------|
| | £000 | £000 |
| Cash in hand and at bank | 2,871 | 1,997 |
| Total cash and cash equivalents | 2,871 | 1,997 |

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of changes in net debt

| | At 1 September 2022 £000 | Cash flows £000 | At 31 August 2023 £000 |
|--------------------------|---|----------------------------|---|
| Cash at bank and in hand | 1,997 | 874 | 2,871 |
| | 1,997 | 874 | 2,871 |
| | 1,997 | 874 | 2,871 |

23. Capital commitments

| | 2023 £000 | 2022 £000 |
|--|----------------------|----------------------|
| Contracted for but not provided in these financial statements | | |
| Acquisition of tangible fixed assets | 1,928 | - |
| | 1,928 | - |

24. 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 Royal County of Berkshire Pension Fund. Both are multi-employer defined benefit schemes.

The latest valuation of the TPS related to the period ended 31 March 2020 and the latest triennial valuation for LGPS related to the period ended 31 March 2022. The Trust has received an actuarial report relating to the valuation of the LGPS as at 31 August 2023.

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

Teachers' Pension Scheme

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

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. 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 impacting these financial statements was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,184,301 (2022 - £1,141,815).

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 2023 was £427,000 (2022 - £381,000), of which employer's contributions totalled £331,000 (2022 - £292,000) and employees' contributions totalled £96,000 (2022 - £89,000). The agreed contribution rates for future years are 20.6 per cent for employers and between 5.5 and 12.5 per cent for employees.

As described in note 1.13 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

| | 2023 | 2022 |
|--|-------------|-------------|
| | % | % |
| Rate of increase in salaries | 3.90 | 3.95 |
| Rate of increase for pensions in payment/inflation | 2.90 | 2.95 |
| Discount rate for scheme liabilities | 5.35 | 4.25 |
| | <hr/> <hr/> | <hr/> <hr/> |

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

| | 2023 | 2022 |
|----------------------|-------------|-------------|
| | Years | Years |
| Retiring today | | |
| Males | 20.7 | 21.0 |
| Females | 23.6 | 23.8 |
| Retiring in 20 years | | |
| Males | 22.0 | 22.3 |
| Females | 25.0 | 25.3 |
| | <hr/> <hr/> | <hr/> <hr/> |

Sensitivity analysis

Royal County of Berkshire Pension Fund

| | 2023 | 2022 |
|--|-------------|-------------|
| | £000 | £000 |
| Discount rate +0.1% | 93 | 328 |
| Discount rate -0.1% | 96 | 350 |
| Mortality assumption - 1 year increase | 162 | 352 |
| Mortality assumption - 1 year decrease | 157 | 326 |
| CPI rate +0.1% | 91 | 350 |
| CPI rate -0.1% | 89 | 328 |
| | <hr/> <hr/> | <hr/> <hr/> |

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

Share of scheme assets

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

| | At 31 August 2023 £000 | At 31 August 2022 £000 |
|-------------------------------------|---|---------------------------------|
| Equities | 3,003 | 2,656 |
| Corporate bonds | 564 | 656 |
| Property | 443 | 569 |
| Cash and other liquid assets | 34 | 72 |
| Target Return Portfolio | - | 6 |
| Infrastructure | 597 | 461 |
| Longevity Insurance | (218) | (173) |
| Total market value of assets | 4,423 | 4,247 |

The actual return on scheme assets was £(198,000) (2022 - £187,000).

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

| | 2023 £000 | 2022 £000 |
|---|----------------------|--------------|
| Current service cost | (449) | (766) |
| Interest income | 185 | 64 |
| Interest cost | (252) | (154) |
| Administrative expenses | (4) | (4) |
| Total amount recognised in the Statement of Financial Activities | (520) | (860) |

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

| | 2023 £000 | 2022 £000 |
|------------------------|----------------------|--------------|
| At 1 September | 6,000 | 9,345 |
| Current service cost | 449 | 766 |
| Interest cost | 252 | 154 |
| Employee contributions | 96 | 89 |
| Actuarial gains | (1,035) | (4,259) |
| Benefits paid | (227) | (95) |
| At 31 August | 5,535 | 6,000 |

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

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

| | 2023 | 2022 |
|--------------------------|--------------|-------|
| | £000 | £000 |
| At 1 September | 4,247 | 3,714 |
| Interest income | 185 | 64 |
| Actuarial (losses)/gains | (205) | 187 |
| Employer contributions | 331 | 292 |
| Employee contributions | 96 | 89 |
| Benefits paid | (227) | (95) |
| Administration expenses | (4) | (4) |
| At 31 August | 4,423 | 4,247 |

25. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2023 | Restated 2022 |
|--|-------------|------------------|
| | £000 | £000 |
| Not later than 1 year | 25 | 21 |
| Later than 1 year and not later than 5 years | 15 | 13 |
| | 40 | 34 |

26. Other financial commitments

The academy trust is committed to a PFI agreement to provide the buildings and services on which one of the academies carries out its operations until 31 August 2035. The payment due within 1 year is £560,592 in respect of delegated funding (2022: £550,799). The amount due between 1 and 5 years is £3,252,505 (2022: £2,967,559), and the balance of £5,529,391 (2022: £4,820,981) is due after 5 years.

27. Members' liability

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

THE SCHELWOOD TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

28. 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 Academy Trust 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.

Mrs W Barnett, a governor, contracted with HGS for the provision of gardening services for which £19,854 (2022: £17,632) was paid to her during the period. A balance of £1,674 (2022: £nil) was due to her at the year end. The contract for this provision was entered into prior to 1 April 2019 and before Mrs Barnett became a governor, and before the predecessor school converted to academy status.

29. Post balance sheet event

The supreme court ruling on Harpur vs Brazel (2022) has upheld the ruling impacting holiday pay for part time workers. Employers will now be required to revisit their historical holiday calculations to retrospectively apply this ruling. Whilst this will create a liability for the trust, the government are yet to produce guidance as to the specifics of the calculation required, and hence no accurate provision can currently be made.

30. Agency arrangements

The academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the Trust received £21,835 (2022: £32,098) and disbursed £19,475 (2022: £33,281) from the fund. An amount of £3,543 (2022: £1,183) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

The Schelwood Trust

Northampton Avenue, Slough, Berkshire, SL1 3BW

12/12/2023

Date:

Your ref: **HER004**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

The Schelwood Trust

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy trust's financial statements and, as relevant, your assurance engagement on regularity for the year ended 31 August 2023. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

1. We have fulfilled our responsibilities as Trustees as set out in the terms of your engagement letter, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the transactions undertaken by the academy trust have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement. We have provided you with unrestricted access to all appropriate persons within the academy trust, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with the Education and Skills Funding Agency, Department for Education and the Charity Commission.
4. The financial statements are free of material misstatements, including omissions.
5. We approve all adjustments as set out in Appendix A, and all decisions on issues requiring the exercise of judgement. We believe that those uncorrected misstatements identified during the audit are immaterial

both individually and in aggregate to the financial statements as a whole. A list of these items will also be included in Appendix A, if applicable, together with our reasons for not correcting them.

Internal Control and Fraud

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error and which conform to the requirements both of propriety and good financial management. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
7. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and Liabilities

9. The academy trust has satisfactory title to all assets and there are no liens or encumbrances on the academy trust's assets, except for those that are disclosed in the notes to the financial statements.
10. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
11. We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
12. We consider that the actuarial assumptions made in connection with the valuation of the deficit on the local government defined benefit pension scheme, are appropriate and representative of the scheme members.

Accounting Estimates

13. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
14. All accounting policies adopted are appropriate for the academy trust and are adequately disclosed.

Loans and arrangements

15. The academy trust has not granted any advances or credits to, or made guarantees on behalf of directors other than those disclosed in the financial statements.

Legal claims

16. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

17. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
18. All relevant correspondence with the academy trusts regulators, including serious incident reports, has been made available to you.

Related parties

19. Related party relationships and transactions, comply with the academy trust's financial regulations, relevant requirements of the Academy Trust Handbook and have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Subsequent events

20. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

21. We believe that the academy trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy trusts needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the academy trust's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

22. Grants made by the Department of Education and Education and Skills Funding Agency have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government.
23. All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.
24. The academy trust has not been in receipt of any income relating to the year ended 31 August 2023 other than that recorded within the books.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make themselves aware of any relevant audit other information and to establish that you are aware of that information.

Yours faithfully

Jon Reekie

.....
The Schelwood Trust
Signed on behalf of the Board of Trustees

The Schelwood Trust

Northampton Avenue, Slough, Berkshire, SL1 3BW

13/12/2023

Date:

Your ref: **HER004**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

The Schelwood Trust

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as I consider necessary in connection with your assurance report on regularity to The Schelwood Trust and the Education and Skills Funding Agency (ESFA) for the year ended 31 August 2023. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy me that I can make each of the following representations. All representations are made to the best of my knowledge and belief.

General

1. I have fulfilled my responsibilities as accounting officer under the requirements of the funding agreement between The Schelwood Trust and the Secretary of State for Education the Academy Trust Handbook 2022.
2. I acknowledge my personal responsibility to Parliament for the regularity and propriety of the public finances for which I am answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in my charge.
3. I acknowledge my responsibility to notify the Trustee Board and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the academy trust's funding agreement and have had due regard to the requirements of the Academy Trust Handbook 2022 in performing this duty.
4. Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.

5. Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the academy trust's authorising framework.
6. Full and free access has been granted to all records, correspondence, information and explanations that you have considered necessary to enable you to perform your work.

Yours faithfully

Jo Rockall

.....

Accounting Officer
The Schelwood Trust