

Registration number: 07341553

Huish Episcopi Academy

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2021

Albert Goodman
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

HUISH EPISCOPI ACADEMY

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HUISH EPISCOPI ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A M Adams (appointed 11 December 2020) S Baker (resigned 22 September 2021) T A Bradbeer (appointed 23 September 2021) I K Etchells (appointed 23 September 2021) S Harris A Settle
Trustees (Directors)	C Ahmed S Baker R M Bomers (appointed 8 February 2021) D C Elston (appointed 8 February 2021) R Foster S Harris M Hatton S King M Lawrence (appointed 11 December 2020) M Mercer R H Moran (appointed 8 February 2021 and resigned 25 February 2021) J M Parsons (appointed 8 February 2021 and resigned 10 November 2021) G J Piper (appointed 8 February 2021) L Robson (Resigned 20 October 2020) A Settle C Wade O Walby C Wall (resigned 23 July 2021)
Company Secretary	M Wood
Senior Management Team	C Wade, Principal R Vaughan, Vice Principal A Brooke, Assistant Principal M Wood, Business Manager (from June 2020) R Madge, Assistant Principal J Merrick-Wren, Assistant Principal E Robinson, Associate Member J Short, Associate Member A Woodward, Assistant Principal/Head of Sixth Form
Principal and Registered Office	Huish Episcopi Academy Wincanton Road Langport Somerset TA10 9SS

HUISH EPISCOPI ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Company 07341553
Registration Number

Auditors Albert Goodman
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Bankers NatWest
72 High Street
Street
Somerset
BA16 0EJ

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
N62 1BJ

HUISH EPISCOPI ACADEMY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal activity of Huish Episcopi Academy is to provide education for students aged 11 to 18 years located in Langport, Somerset and the surrounding area. It has a pupil capacity of 1570 and had a roll of 1464 in the school census on 1 October 2020.

Structure, governance and management

Constitution

The Academy was incorporated on 10 August 2010. The Academy is a company limited by guarantee and an exempt charity that is not therefore required to register with the Charity Commission, and the company is incorporated with the company registration number 7341553.

Huish Episcopi Academy is governed by the rules, regulations set down in its company Memorandum, and Articles of Association dated 9 August 2010. The Articles were revised by a written special resolution dated 9 February 2012.

The Directors act as the trustees for the charitable activities of Huish Episcopi Academy and are the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Huish Episcopi Academy.

Details of the Directors who served throughout the year, except as noted, 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

In accordance with normal commercial practice, the Academy has purchased professional indemnity insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. This was purchased as part of the Department of Education's Risk Protection Assurance Scheme to which the Academy has subscribed. The insurance provides unlimited cover on any one claim for officers of the Academy and £10,000,000 for trustees.

Method of recruitment and appointment or election of Trustees

The Directors have set up procedures that will enable regular reviews of the mix of skills that should be available to the Board. New Directors will then be sought with these skills as replacements when existing Directors stand down. It is anticipated that the majority of new Directors will be drawn from the local community, being either parents or carers of pupils at the Academy, or others who have shown an interest in the Academy and its pupils. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the South Somerset area and by election of Parent Directors.

HUISH EPISCOPI ACADEMY

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

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Directors continues to be tailored to their experience and training requirements. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Directors are given a tour of the Academy and the opportunity to meet with staff and students. The Directors are all also provided with the opportunity, before or after appointment, to meet with the Principal and Chair of the Board to outline the aims and values of the Academy as well as discussing the Governance structure. The Chair continues to meet with new Directors regularly throughout the year. All Directors are provided with copies of policies, procedures, minutes, financial statements, budgets, plans and other documents that they will need to undertake their role as Director. In addition, some Directors have taken part in training for Safer Recruitment, National Online Safety and Equality and Diversity, as well as training on using performance data to monitor standards of achievement. Whole Board training sessions are held on occasions to cover the introduction of new requirements.

Organisational structure

The Directors have responsibility for setting and monitoring the overall strategic direction of the Charitable Company, approving decisions reserved for Directors and appointing key members of staff.

The Directors met as a Board seven times this year. The Board as a whole takes all decisions reserved for the Directors. Details of meetings can be found in the Governance Statement. Board committees meet three or four times each year to consider detailed matters and recommend decisions to the Full Board. There are four such committees:

Finance and Premises
Teaching and Learning
Pay and Personnel
Audit

Students' surveys and the student council are used to gather feedback from our students. We aim to hold Parent Forum meetings once a term that seek the direct views of stakeholders, and a training group that meets as required. In addition, there is a Monitoring and Intervention Group, which monitors and challenges the academic performance of the Academy throughout the year. Additional committees, mainly concerned with discipline, meet as and when required.

A Leisure Centre Committee existed until the end of February 2012. In March 2012, a trading subsidiary was established, Huish Leisure Ltd, (company no. 7963908) as required by the Department for Education. The Academy is the sole shareholder and the profits of Huish Leisure Ltd are gifted to the Academy in accordance with the Articles of Association. Huish Leisure Ltd has its own Board of Directors, with the following composition:

Three members of the Academy Board
The Principal of the Academy
The Business Manager of the Academy
Two councillors from South Somerset District Council
A representative of the users of Huish Leisure Centre

All Directors of Huish Leisure Ltd are appointed by the Academy.

HUISH EPISCOPI ACADEMY

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

The Responsible Officer is appointed from within the Board members and maintains an oversight role in relation to the systems and processes of control and risk management that operate throughout Huish Episcopi Academy. The Responsible Officer chairs the newly formed Audit Committee and provides reports to both the Finance and Premises Committee and the Full Board. The Responsible Officer also attends Leisure Centre Board meetings.

The Principal is the Accounting Officer and works closely with both the other Directors and the senior staff of Huish Episcopi Academy. The day-to-day management of Huish Episcopi Academy resides with the Principal who has overall responsibility for the Academy. The Principal is responsible for establishing a senior management team, including the Vice Principal, Business Manager, Assistant Principals and Associate Members (also Heads of House).

The Principal and other key senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Appointment panels for permanent teaching and senior support staff posts in the Academy contain a Director where possible. There is a Scheme of Delegation in place to determine the financial powers and duties devolved to the Senior Leadership Team (SLT) and heads of department within the Academy and those reserved for the Academy Board.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting pay and remuneration of key management personnel is set out in the Academy's Pay Policy. This policy is reviewed on an annual basis for any changes to the School Teachers' Pay and Conditions document (STPCD) or for similar changes for Green Book Staff. The local authority, Somerset County Council, from whom the Academy purchases HR advice, advises on these changes. The Pay Policy is reviewed and approved by the Pay and Personnel Committee, as are all decisions regarding the remuneration of all members of the SLT, as listed on Page 1 of this document. The Principal, Vice Principal, four Assistant Principals, five Heads of House (two of whom are Associate Principals) are paid on the Leadership Pay Scale. The Principal is allocated a pay range upon appointment by the Academy Board, which is determined by the School's Group Size as per STPCD. This can be re-determined by the Pay and Personnel Committee should the Principal's responsibilities have changed significantly as determined by the STPCD. Discretionary payments can be made to the Principal as per the criteria laid down in the Pay Policy. No such payments have been made this year. This principle of remuneration also applies to the Vice and Assistant Principals. The Pay and Personnel Committee again determines remuneration. The Business Manager and one Assistant Principal (not a qualified teacher) are paid on the Support Staff Pay Scale approved by the Pay and Personnel Committee and Academy Board. All members of the SLT are subject to annual performance management reviews. The Pay and Personnel Committee has executive powers and reports their decisions to the Full Board.

HUISH EPISCOPI ACADEMY

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

Trade union facility time

There were two union officials for the year ended 31 August 2021.

Risk management

The Directors continue to assess the major risks to which the Academy is exposed. These have been categorised as Strategic and Reputational, Operational, Compliance and Financial Risks. These categories cover in particular those risks relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances, and in maintaining a comprehensive risk register. The Directors have implemented a number of systems to assess risks that the Academy faces, especially in the operational area (e.g. in relation to health and safety, achievement and Academy trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds, shared use of the leisure centre facilities, site security) and internal financial controls (see below) in order to minimise risk. Where significant risk remains, the Academy will ensure that the appropriate adequate insurance cover and controls are put in place. The Academy has an effective system of internal financial controls.

Connected Organisations, including Related Party Relationships

Our Academy is linked to a number of other schools in a variety of ways:

- We are connected to the eleven linked partner primary phase schools through the 'Huish Community Learning Partnership' (CLP). All members of the CLP pay an annual subscription based on student numbers. These funds are then used to support a wide range of educational activities for students from across the area. The schools involved in the CLP are: Charlton Mackrell, Curry Mallet, Curry Rivel, Hambridge, High Ham, Huish Episcopi Primary, Kingsbury Episcopi, Long Sutton, Middlezoy, King Ina Academy and Othery. The Principal of Huish Episcopi Academy assumed the role of CLP Chair from September 2020.
- The Academy has a service level agreement with four of the above schools (Hambridge, Huish Episcopi Primary, Middlezoy and Othery) to provide IT support. The Academy also provides school catering to Huish Episcopi Primary School.
- The Academy is linked with the 28 other secondary schools in Somerset through the Somerset Association of Secondary Heads (SASH). SASH has now been established as a company with the aim of raising achievement in Somerset's secondary schools.
- The Academy is part of an informal grouping of other academies across our region called the South West Academy Group to share best practice in areas such as procurement and achievement.
- The Academy is a strategic partner in two Teaching School Alliances. One is based around Castle School in Taunton (Affinity) and the other, named The West Country Teaching School Alliance, is based around Uffculme School in Devon.

HUISH EPISCOPI ACADEMY

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

Objectives and activities

Objects and aims

The charitable objectives for which the Charitable Company was established are set down in the governing document as follows:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an Academy offering a broad and balanced curriculum.
- To promote, if possible, for the benefit of the inhabitants of Huish Episcopi, Langport and the surrounding area, the provision of facilities for recreation or other leisure time occupation for 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.

HUISH EPISCOPI ACADEMY

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

Objectives, strategies and activities

The principal activity of Huish Episcopi Academy is currently to provide an appropriate education for students aged 11 to 18 years located in Langport, Somerset and the surrounding areas.

In addition to the educational aspects of the Academy, Huish Episcopi Academy aims to share its recreation and leisure facilities with the local community. From September 2021, the Leisure Centre facilities on the Academy site are being managed by Lifestyle Fitness. In setting the objectives and planning the activities, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

In accordance with the articles of association, Huish Episcopi Academy has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum. The Academy welcomes pupils from all backgrounds.

The main objectives of the Academy during the year ended 31 August 2021 are summarised below:

- To achieve consistently high-quality teaching (either on site or remotely due to Covid-19) that ensures that lessons and learning are characterised by high challenge and engagement, active learning (where possible), regular feedback alongside student responses and the development of literacy skills.
- To provide student support and guidance that removes barriers to learning, promoting a positive learning culture and equipping students with the skills to become lifelong learners.
- To ensure that leadership and management are outstanding in all areas with systems in place to ensure clear lines of accountability for all students, teachers and leaders.
- To provide a broad, balanced and flexible curriculum that meets the needs and aspirations of all learners.
- Within the restrictions of Covid-19, to provide an extensive planned and sustainable programme of enrichment and co-curricular opportunities for all students.
- To invite all stakeholders to play an active role in the operation and development of the Academy. In developing this objective, we seek to involve staff, students, parents and the wider community.
- To have a planned programme of procurement, replacement and refurbishment that ensures resources are available to effectively support learning across the Academy.

Public benefit

In accordance with its charitable objectives, the Charitable Company strives to advance the education of the pupils attending the Academy. The Charitable Company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the Academy.

HUISH EPISCOPI ACADEMY

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

STRATEGIC REPORT

Achievements and performance

Huish Episcopi Academy was inspected (Section 8 Inspection) on 6th December 2017. The inspection outcome was that the school remained in the Good category. A further Safeguarding Inspection was carried out in November 2019, with the school maintaining its status as Good.

The Inspection report of December 2017 made the following positive comments: "A culture of ambition and aspiration is developing in the school, which is helping to improve outcomes for pupils and students." "self-evaluation is detailed and accurate" "The majority of current pupils make good progress in a wide range of subjects, including English and mathematics.", "The school has a strong commitment to the safety of pupils and students. The majority of parents believe that the school keeps their children safe and cares for them well. Pupils enjoy coming to school and talk confidently about what to do and who to talk to if they have any concerns about bullying or other issues. Staff ensure that pupils are aware of any potential risks to their safety."

Key non-financial performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention although there is currently no specific restriction. In period under review, £1,271,960 was carried forward representing 17.1% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2020/21 were 1464.

Going concern

After making appropriate enquiries, the Academy Board 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.

HUISH EPISCOPI ACADEMY

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

STRATEGIC REPORT (CONTINUED)

Financial review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the 12 months ended 31 August 2021 and the associated expenditure is shown as restricted funds in the statement of financial activities.

In addition, the Academy received funding from Somerset County Council for individually assigned resources that relate to the special needs of named pupils totalling £120,149. This has been included in Funding for the Academy's Educational Operations (note 3). A 125 year lease/capital restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure (excluding LGPS pension costs and depreciation) of £8,575,040 was more than covered by recurrent grant funding from the DfE together with other income. The excess of income over expenditure for the group for the year (excluding Restricted fixed asset funds and LGPS costs) was £422,159.

At 31 August 2021, the net book value of fixed assets was £11,055,733 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Financial and risk management objectives and policies

The Academy is subject to a number of risks and uncertainties in common with other academies. The Academy has in place a procedure to identify and mitigate financial risks. These are discussed further in the Principal Risks and Uncertainties section of the Directors' Report and the Governance Statement.

HUISH EPISCOPI ACADEMY

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

STRATEGIC REPORT (CONTINUED)

Reserves policy

The policy of the Academy is to carry forward a prudent level of reserves designed to meet the long-term cyclical needs of renewal and other unforeseen circumstances.

The Academy is permitted to hold any unspent General Annual Grant from previous years, without any limit, by virtue of a Variation to the Funding Agreement with effect from academic year 2012/13.

The Directors require a reserve to be created from this carry forward to fund the future expenditure related to the Academy Improvement Plan, strategic long-term aims and developments, and capital improvements. This will be known as the 'Agreed Level of Reserves'. This will be reviewed at least annually or more regularly if necessary.

The 'Agreed Level of Reserves' for the academic year 2020/21 was agreed at £600,000. This level of reserves is currently invested in a Business Direct Reserve bank account with Natwest Bank plc. The account has instant access.

The Directors also permit the use of unallocated carry forward to support future years' budgets where planned expenditure aligned to the Academy Improvement Plan exceeds the level of funding indicated during the forthcoming academic year. The decision to use such carry forward, as deemed necessary, will be based on a risk assessment of the internal and external operating environment, as well as having a due regard for the nature of future activities undertaken by the Academy. The Academy currently has a three-year budget plan, which identifies the use of these reserves and is discussed regularly at the Finance and Premises Committee.

At the balance sheet date of 31 August 2021, the Charitable Company (including its subsidiary) had spendable unrestricted reserves of £420,519 and spendable restricted reserves of £1,271,960.

Investment policy

The Directors' investment powers are set down in the Charitable Company's Memorandum and Articles of Association, which permit the investment of monies of the Charitable Company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The Charitable Company's current policy is to invest surplus funds in short-term cash deposits. The £600,000 agreed level of reserves has been deposited into a Business Direct Reserve bank account. No other investments were made during the period 1 September 2020 to 31 August 2021.

HUISH EPISCOPI ACADEMY

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

STRATEGIC REPORT (CONTINUED)

Principal risks and uncertainties

The major risks, to which the Academy is exposed, as identified by Directors in the Risk Register, are reviewed at Academy Board, committee, and management level on a regular basis. The Academy continues to classify its key risks and uncertainties under four categories: Strategic and Reputational, Operational, Compliance and Financial. The Academy has not identified any principal risks that could seriously affect its performance, future prospects, reputation or viability, but has considered the following risks to receive the highest priority:

- A three-year trend in lower than average P8 and A8
- Long-term sustainability of student numbers
- Recruitment to the sixth form
- Uncertainty around funding and reducing budgets

Clear, robust systems, procedures and control measures have been established to manage these risks. This risk management process is covered more comprehensively in the Governance Statement.

Fundraising

National Grid Hinkley Connection Project Education Fund Programme

The Academy received a grant of £1,250 from the above programme in January 2021 for an embroidery sewing machine, to support students in their studies.

HUISH EPISCOPI ACADEMY

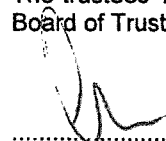
TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 31 Dec 21 and signed on its behalf by:



.....
G J Piper
Trustee

HUISH EPISCOPI ACADEMY

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to C Wade, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Huish Episcopi Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance reviews

During the year, new Directors were recruited to the Board which has strengthened the skill set available. As Directors complete their term of office, the Board aims to replace them with members with similar skills and so maintain experience and expertise across the Board. The Board of Directors continues to undertake self-review to analyse their skills as well as establishing the skills sets required for the various committees of the Board. This has enabled the Board to be very clear about the skills required from new Board members as they are recruited.

In addition to the Academy Board meetings, the Directors held the following committee meetings during the financial year under review.

- 5 - Finance and Premises Committee meetings
- 2 - Teaching and Learning Committee meetings
- 2 - Pay and Personnel Committee meetings
- 1 - Audit Committee meetings
- 2 - Huish Leisure Ltd Board meetings
- 2 - Monitoring and Intervention Group

Please see the reference to Huish Leisure Ltd, under Organisation Structure on page 4.

In addition, ad hoc groups of Directors are established to consider specific issues and make recommendations to the Board. This year these included working group meetings to Academy vision, the development of an effective estates strategy and the business strategy for Huish Leisure.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Academy Board, by enabling detailed consideration to be given to the best means of fulfilling the Academy Board's responsibility for sound management and oversight of the Academy's finance and resources and that the premises are managed and developed, ensuring proper planning, monitoring and probity. Attendance at meetings during the year was as follows:

HUISH EPISCOPI ACADEMY
GOVERNANCE STATEMENT (CONTINUED)

Trustee	Meetings attended	Out of a possible
R Foster (resigned 31 August 2020)	6	6
S Harris	6	6
M Mercer	4	6
A Settle	6	6
C Wade	6	6
O Walby	4	6
C Wall (resigned 23 July 2021)	5	6
D C Elston (appointed 8 February 2021)	2	2
G J Piper (appointed 8 February 2021)	2	2

The remit of the newly formed Audit Committee and our Responsible Officer provides additional oversight of the Academy's financial affairs and to provide the governing body with on-going independent assurance that:

- the financial responsibilities of the governing body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained; and
- financial considerations are fully taken into account in reaching decisions.

In addition, the Pay and Personnel Committee has oversight of the Academy compliance with human resource obligations and commitments. It also scrutinises the staffing structure, annual pay awards, and relevant policies and procedures. The Teaching and Learning Committee challenges the Academy with regard to the academic programme, student results and experience, and the delivery of the curriculum.

HUISH EPISCOPI ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Principal 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:

- Review of all contracts
- Review of banking arrangements

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks 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 Huish Episcopi Academy for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided:

- to employ Somerset County Council as internal auditor

HUISH EPISCOPI ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

The auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular the checks carried out in the current period included:

- processing income
- processing purchases
- processing payroll
- general financial operations report

On an annual basis, the auditor reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Academy has also chosen to appoint a Responsible Officer (RO). The RO is chair of the Audit Committee. The RO role includes giving advice on the Academy Board's financial systems and on the discharge of the Academy Board's financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

Review of effectiveness

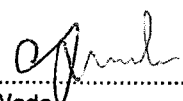
As Accounting Officer, C Wade has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 9th Dec 21 and signed on its behalf by:


.....
G J Piper
Trustee


.....
C Wade
Trustee

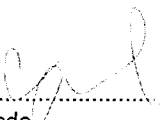
HUISH EPISCOPI ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Huish Episcopi Academy 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 received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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


.....
C Wade
Accounting Officer

Date: 3.12.21.....

HUISH EPISCOPI ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 on 9m Dec 21 and signed on its behalf by:



.....
G J Piper
Trustee

HUISH EPISCOPI ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HUISH EPISCOPI ACADEMY

Opinion

We have audited the financial statements of Huish Episcopi Academy (the 'Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2021, which comprise the Consolidated Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account), Consolidated Balance Sheet as at 31 August 2021, Balance Sheet as at 31 August 2021, Consolidated Statement of Cash Flows for the year ended 31 August 2021 and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 original financial statements were authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

HUISH EPISCOPI ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HUISH EPISCOPI ACADEMY (CONTINUED)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

- adequate accounting records have not been kept by the parent Academy, 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 [set out on page 19], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

HUISH EPISCOPI ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HUISH EPISCOPI ACADEMY (CONTINUED)

Auditor's 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 auditor's 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:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy, including the Companies Act 2006, Academies Accounts Direction 2020 to 2021, Charities SORP 2019, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

HUISH EPISCOPI ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HUISH EPISCOPI ACADEMY (CONTINUED)

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the Academy's legal advisors.


There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the charitable parent academy's Trustees, 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 Group's trustees those matters we are required to state to them in an auditor's 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 charitable parent academy and its trustees as a body, for our audit work for this report, or for the opinions we have formed.



.....
Joseph Doggrell (Senior Statutory Auditor)
For and on behalf of Albert Goodman, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date:

12/12/2021

HUISH EPISCOPI ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HUISH EPISCOPI ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

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

This report is made solely to Huish Episcopi Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Huish Episcopi Academy and the 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 Huish Episcopi Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Board of Trustees' accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

HUISH EPISCOPI ACADEMY

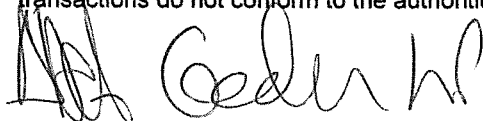
**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
HUISH EPISCOPI ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY
(CONTINUED)**

The work undertaken to draw to our conclusion includes:

- Reviewing compliance against the requirements of the Academies Financial Handbook (September 2020);
- A review of the governance policies and procedures with specific consideration of financial planning, monitoring and control;
- Gaining assurance that the lines of delegation and the limits set both internally by the academy and by ESFA have been adhered to;
- A review of all meeting minutes of the board trustees;
- An examination of financial transactions to identify any unusual items which may be improper; and
- A review of the declaration of interests completed by the trustees.

Conclusion

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



.....
Joseph Doggrell

For and on behalf of Albert Goodman, Chartered Accountants

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 17/12/2021

HUISH EPISCOPI ACADEMY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	5,025	-	14,702	19,727
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	8,486,566	-	8,486,566
Other trading activities	4	377,327	126,875	-	504,202
Investments	5	1,406	-	-	1,406
Total		<u>383,758</u>	<u>8,613,441</u>	<u>14,702</u>	<u>9,011,901</u>
Expenditure on:					
Raising funds	6	295,332	-	-	295,332
<i>Charitable activities:</i>					
Academy trust educational operations		<u>243,033</u>	<u>8,527,675</u>	<u>393,461</u>	<u>9,164,169</u>
Total		<u>538,365</u>	<u>8,527,675</u>	<u>393,461</u>	<u>9,459,501</u>
Net (expenditure)/income		(154,607)	85,766	(378,759)	(447,600)
Transfers between funds		(6,545)	(105,812)	112,357	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	26	<u>-</u>	<u>(407,000)</u>	<u>-</u>	<u>(407,000)</u>
Net movement in deficit		(161,152)	(427,046)	(266,402)	(854,600)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>581,671</u>	<u>(5,117,994)</u>	<u>11,316,884</u>	<u>6,780,561</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>420,519</u>	<u>(5,545,040)</u>	<u>11,050,482</u>	<u>5,925,961</u>

HUISH EPISCOPI ACADEMY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	3,575	-	30,353	33,928
Other trading activities	4	629,012	287,494	-	916,506
Investments	5	1,200	-	-	1,200
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	8,004,096	-	8,004,096
Total		633,787	8,291,590	30,353	8,955,730
Expenditure on:					
Raising funds	6	300,927	-	-	300,927
<i>Charitable activities:</i>					
Academy trust educational operations		321,193	8,395,446	375,266	9,091,905
Total		622,120	8,395,446	375,266	9,392,832
Net income/(expenditure)		11,667	(103,856)	(344,913)	(437,102)
Transfers between funds		(31,201)	19,295	11,906	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	26	-	(1,327,000)	-	(1,327,000)
Net movement in deficit		(19,534)	(1,411,561)	(333,007)	(1,764,102)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		601,205	(3,706,433)	11,649,891	8,544,663
Total funds/(deficit) carried forward at 31 August 2020		581,671	(5,117,994)	11,316,884	6,780,561

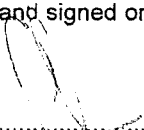
HUISH EPISCOPI ACADEMY

(REGISTRATION NUMBER: 07341553)

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	11,055,733	11,253,929
Current assets			
Stocks	13	14,120	15,549
Debtors	14	252,033	331,636
Cash at bank and in hand		<u>2,021,333</u>	<u>1,607,680</u>
		2,287,486	1,954,865
Creditors: Amounts falling due within one year	15	<u>(597,633)</u>	<u>(503,979)</u>
Net current assets		<u>1,689,853</u>	<u>1,450,886</u>
Total assets less current liabilities		12,745,586	12,704,815
Creditors: Amounts falling due after more than one year	16	<u>(2,625)</u>	<u>(5,254)</u>
Net assets excluding pension liability		12,742,961	12,699,561
Pension scheme liability	26	<u>(6,817,000)</u>	<u>(5,919,000)</u>
Net assets including pension liability		<u>5,925,961</u>	<u>6,780,561</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(5,545,040)	(5,117,994)
Restricted fixed asset fund		<u>11,050,482</u>	<u>11,316,884</u>
		5,505,442	6,198,890
Unrestricted funds			
Unrestricted general fund		<u>420,519</u>	<u>581,671</u>
Total funds		<u>5,925,961</u>	<u>6,780,561</u>

The financial statements were approved by the Trustees, and authorised for issue on 9m Dec 21 and signed on their behalf by:



 G J Piper
 Trustee

HUISH EPISCOPI ACADEMY
(REGISTRATION NUMBER: 07341553)
BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	11,055,733	11,253,929
Investments	12	<u>1</u>	<u>1</u>
		<u>11,055,734</u>	<u>11,253,930</u>
Current assets			
Stocks	13	12,577	13,166
Debtors	14	248,185	328,022
Cash at bank and in hand		<u>1,910,740</u>	<u>1,569,167</u>
		2,171,502	1,910,355
Creditors: Amounts falling due within one year	15	<u>(597,633)</u>	<u>(479,387)</u>
Net current assets		<u>1,573,869</u>	<u>1,430,968</u>
Total assets less current liabilities		12,629,603	12,684,898
Creditors: Amounts falling due after more than one year	16	<u>(2,625)</u>	<u>(5,254)</u>
Net assets excluding pension liability		12,626,978	12,679,644
Pension scheme liability	26	<u>(6,817,000)</u>	<u>(5,919,000)</u>
Net assets including pension liability		<u>5,809,978</u>	<u>6,760,644</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(5,545,040)	(5,117,994)
Restricted fixed asset fund		<u>11,050,482</u>	<u>11,316,884</u>
		5,505,442	6,198,890
Unrestricted funds			
Unrestricted general fund		<u>304,536</u>	<u>561,754</u>
Total funds		<u>5,809,978</u>	<u>6,760,644</u>

The financial statements were approved by the Trustees, and authorised for issue on 01 Dec 21 and signed on their behalf by:

.....
G J Piper
Trustee

HUISH EPISCOPI ACADEMY**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	596,161	279,284
Cash flows from investing activities	22	(179,879)	(25,782)
Cash flows from financing activities	21	<u>(2,629)</u>	<u>(14,182)</u>
Change in cash and cash equivalents in the year		413,653	239,320
Cash and cash equivalents at 1 September		<u>1,607,680</u>	<u>1,368,360</u>
Cash and cash equivalents at 31 August	23	<u><u>2,021,333</u></u>	<u><u>1,607,680</u></u>

1 Accounting policies

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

Basis of preparation

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

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

Basis of consolidation

The consolidated financial statements incorporate those of Huish Episcopi Academy and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial statements and operating policies so as to obtain economic benefits). As disclosed in Note 12.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Income

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

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

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 period is deducted from income and recognised as a liability. Any unspent amount is reflected as a balance in the restricted fund.

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy trust are recognised at their open market value in the period in which they are receivable in incoming resources, where the benefit to the Academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate category and depreciated over the useful economic life in accordance with the Academy trust policies.

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Tangible fixed assets

All tangible assets purchased that have a cost that exceeds £10,000 and an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation.

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.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Asset class	Depreciation method and rate
Leasehold Land and Buildings	25-125 years
Plant and Machinery	5-25 years
Computer Equipment	5-25 years
Motor Vehicles	5-25 years

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Investments

The Academy's shareholding in the wholly owned subsidiary, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial Instruments

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

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

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

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

Stock

Unsold uniforms, stationery and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

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

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Pension benefits

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency.

Critical accounting estimates and areas of judgement

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

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

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

Critical areas of judgement

Certain employees participate in a multi-employer defined benefit pension scheme (TPS). In the judgement of the Directors, the school does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore, the scheme is accounted for as a defined contribution scheme.

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

Subsidiary undertaking

The financial statements include the results of Huish Leisure Limited, a wholly owned subsidiary. Further details of the subsidiary and its results are set out in note 12. Profits generated by the subsidiary will be passed to the Academy via gift aid.

HUIISH EPISCOPI ACADEMY

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

(CONTINUED)

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants DfE/ESFA	-	14,702	14,702	30,353
Other donations	5,025	-	5,025	3,575
	<u>5,025</u>	<u>14,702</u>	<u>19,727</u>	<u>33,928</u>

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	7,417,731	7,417,731	7,162,220
Other DfE / ESFA Grants	427,970	427,970	423,250
Pupil Premium	236,739	236,739	232,120
	<u>8,082,440</u>	<u>8,082,440</u>	<u>7,817,590</u>
Other government grants			
Local Authority	195,921	195,921	133,608
Catch up premium	104,160	104,160	-
	<u>300,081</u>	<u>300,081</u>	<u>133,608</u>
Exceptional government funding			
Coronavirus Job Retention Scheme grant	104,045	104,045	39,931
Coronavirus exceptional support	-	-	12,967
	<u>104,045</u>	<u>104,045</u>	<u>52,898</u>
Total grants	<u>8,486,566</u>	<u>8,486,566</u>	<u>8,004,096</u>

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

The catch up premium income, associated expenditure and carried forward balance to be spent in 2021-22 is detailed in the Funds note.

HUISH EPISCOPI ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****4 Other trading activities**

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Facilities and services income	13,332	-	13,332	1,230
Catering income	95,997	-	95,997	201,876
Educational trips and activities	85,906	126,875	212,781	351,766
Other income	37,112	-	37,112	49,734
Leisure Centre income	144,980	-	144,980	311,900
	<u>377,327</u>	<u>126,875</u>	<u>504,202</u>	<u>916,506</u>

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Bank interest receivable	<u>1,406</u>	<u>1,406</u>	<u>1,200</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

6 Expenditure

	Non Pay Expenditure			2020/21	2019/20
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Expenditure on raising funds					
Leisure centre costs	201,195	-	94,137	295,332	300,927
Academy's educational operations					
Direct costs	5,959,992	-	419,594	6,379,586	5,936,718
Allocated support costs	1,313,239	915,599	555,745	2,784,583	3,155,187
	<u>7,474,426</u>	<u>915,599</u>	<u>1,069,476</u>	<u>9,459,501</u>	<u>9,392,832</u>

Net income/(expenditure) for the year includes:

	2020/21	2019/20
	£	£
Operating lease rentals	138,843	118,894
Depreciation	392,979	375,266
Fees payable to auditor - audit	9,300	9,100
- other audit services	4,150	4,050
(Gain)/loss on disposal of fixed assets	<u>723</u>	<u>-</u>

7 Charitable activities

	2020/21	2019/20
	£	£
Direct costs - educational operations	6,379,586	5,936,718
Support costs - educational operations	<u>2,784,583</u>	<u>3,155,187</u>
	<u>9,164,169</u>	<u>9,091,905</u>

HUISH EPISCOPI ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)**

7 Charitable activities (continued)

	Educational operations £	2020/21 Total £	2019/20 Total £
Analysis of support costs			
Support staff costs	1,313,239	1,313,239	1,510,221
Depreciation	392,979	392,979	375,266
Technology costs	43,113	43,113	69,796
Premises costs	522,620	522,620	490,771
Other support costs	499,428	499,428	673,432
Governance costs	13,204	13,204	35,701
Total support costs	<u>2,784,583</u>	<u>2,784,583</u>	<u>3,155,187</u>

HUIISH EPISCOPI ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****8 Staff****Staff costs**

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	5,206,004	5,280,973
Social security costs	498,460	478,482
Operating costs of defined benefit pension schemes	1,707,370	1,519,496
	<u>7,411,834</u>	<u>7,278,951</u>
Supply staff costs	62,592	6,518
	<u>7,474,426</u>	<u>7,285,469</u>

Staff numbers

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

	2020/21 No	2019/20 No
Teachers	87	85
Administration and support	96	90
Leisure Centre	5	8
Management	7	7
	<u>195</u>	<u>190</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	4	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £800,738 (2020: £776,409).

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

C Wade (Principal and Trustee):

Remuneration: £95,000 - £100,000 (2020 - £90,000 - £95,000)

Employer's pension contributions: £10,000 - £15,000 (2020 - £15,000 - £20,000)

S King (Staff Trustee):

Remuneration: £15,000 - £20,000 (2020 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2020 - £0 - £5,000)

O Walby (Staff Trustee):

Remuneration: £50,000 - £55,000 (2020 - £40,000 - £45,000)

Employer's pension contributions: £5,000 - £10,000 (2020 - £10,000 - £15,000)

Other related party transactions involving the trustees are set out in note 27.

10 Trustees' and officers' insurance

The academy trust 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.

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

11 Tangible fixed assets

Group

	Leasehold land and buildings £	Furniture and equipment £	Plant and Machinery £	Computer equipment £	Total £
Cost					
At 1 September 2020	13,395,695	645,074	144,703	376,192	14,561,664
Additions	24,773	27,075	39,295	104,844	195,987
Disposals	-	-	-	(1,204)	(1,204)
At 31 August 2021	<u>13,420,468</u>	<u>672,149</u>	<u>183,998</u>	<u>479,832</u>	<u>14,756,447</u>
Depreciation					
At 1 September 2020	2,255,276	600,985	97,926	353,548	3,307,735
Charge for the year	296,335	30,548	25,288	41,289	393,460
Eliminated on disposals	-	-	-	(481)	(481)
At 31 August 2021	<u>2,551,611</u>	<u>631,533</u>	<u>123,214</u>	<u>394,356</u>	<u>3,700,714</u>
Net book value					
At 31 August 2021	<u>10,868,857</u>	<u>40,616</u>	<u>60,784</u>	<u>85,476</u>	<u>11,055,733</u>
At 31 August 2020	<u>11,140,419</u>	<u>44,089</u>	<u>46,777</u>	<u>22,644</u>	<u>11,253,929</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

11 Tangible fixed assets (continued)

Company

	Leasehold land and buildings £	Furniture and equipment £	Plant and Machinery £	Computer equipment £	Total £
Cost					
At 1 September 2020	13,395,695	645,074	144,703	376,192	14,561,664
Additions	24,773	27,075	39,295	104,844	195,987
Disposals	-	-	-	(1,204)	(1,204)
At 31 August 2021	<u>13,420,468</u>	<u>672,149</u>	<u>183,998</u>	<u>479,832</u>	<u>14,756,447</u>
Depreciation					
At 1 September 2020	2,255,276	600,985	97,926	353,548	3,307,735
Charge for the year	296,335	30,548	25,288	41,289	393,460
Eliminated on disposals	-	-	-	(481)	(481)
At 31 August 2021	<u>2,551,611</u>	<u>631,533</u>	<u>123,214</u>	<u>394,356</u>	<u>3,700,714</u>
Net book value					
At 31 August 2021	<u>10,868,857</u>	<u>40,616</u>	<u>60,784</u>	<u>85,476</u>	<u>11,055,733</u>
At 31 August 2020	<u>11,140,419</u>	<u>44,089</u>	<u>46,777</u>	<u>22,644</u>	<u>11,253,929</u>

12 Investments

Company

	Investment in subsidiary £
Cost	
At 1 September 2020 and 31 August 2021	<u>1</u>
Net book value	
At 31 August 2021 and 31 August 2020	<u>1</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

13 Stock

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Stock	<u>14,120</u>	<u>15,549</u>	<u>12,577</u>	<u>13,166</u>

14 Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	283	34,326	283	34,326
VAT recoverable	69,204	52,229	67,155	51,976
Prepayments and accrued income	<u>182,546</u>	<u>245,081</u>	<u>180,747</u>	<u>241,720</u>
	<u>252,033</u>	<u>331,636</u>	<u>248,185</u>	<u>328,022</u>

15 Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Other taxation and social security	258,877	242,533	258,877	242,533
Other creditors	127,698	88,102	127,698	88,102
Accruals and deferred income	<u>211,058</u>	<u>173,344</u>	<u>211,058</u>	<u>148,752</u>
	<u>597,633</u>	<u>503,979</u>	<u>597,633</u>	<u>479,387</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

15 Creditors: amounts falling due within one year (continued)

Company

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	98,184	143,077
Resources deferred in the period	136,118	98,184
Amounts released from previous periods	<u>(98,184)</u>	<u>(143,077)</u>
Deferred income at 31 August 2021	<u>136,118</u>	<u>98,184</u>

At the balance sheet date, the Academy Trust was holding funds received in advance for school trips running in 2021/22 £104,024 (2020 : £88,057), catering income £11,934 (2020: £10,127) and rates income £20,160 (2020: £Nil).

16 Creditors: amounts falling due after one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Loans	<u>2,625</u>	<u>5,254</u>	<u>2,625</u>	<u>5,254</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

17 Funds

Group

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	801,006	7,417,731	(6,840,965)	(105,812)	1,271,960
Pupil premium	-	236,739	(236,739)	-	-
Other DfE/ESFA Grants	-	427,970	(427,970)	-	-
Local authority	-	195,921	(195,921)	-	-
Other restricted funds	-	230,920	(230,920)	-	-
Catch up premium	-	104,160	(104,160)	-	-
Pension reserve	(5,919,000)	-	(491,000)	(407,000)	(6,817,000)
	<u>(5,117,994)</u>	<u>8,613,441</u>	<u>(8,527,675)</u>	<u>(512,812)</u>	<u>(5,545,040)</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grants	914,176	14,702	(51,517)	105,812	983,173
Other Capital Income	1,344,403	-	(84,834)	-	1,259,569
Other DfE/ESFA	7,946,905	-	(180,841)	-	7,766,064
General Annual Grant Fixed Asset fund	506,217	-	(73,954)	-	432,263
Unrestricted Funded Fixed Assets Fund	605,183	-	(2,315)	6,545	609,413
	<u>11,316,884</u>	<u>14,702</u>	<u>(393,461)</u>	<u>112,357</u>	<u>11,050,482</u>
Total restricted funds	6,198,890	8,628,143	(8,921,136)	(400,455)	5,505,442
Unrestricted funds					
Unrestricted general funds	<u>581,671</u>	<u>383,758</u>	<u>(538,365)</u>	<u>(6,545)</u>	<u>420,519</u>
Total funds	<u>6,780,561</u>	<u>9,011,901</u>	<u>(9,459,501)</u>	<u>(407,000)</u>	<u>5,925,961</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

17 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	499,567	7,162,220	(6,880,076)	19,295	801,006
Pupil premium	-	232,120	(232,120)	-	-
Other DfE/ESFA Grants	-	436,217	(436,217)	-	-
Local authority	-	133,608	(133,608)	-	-
Other restricted funds	-	327,425	(327,425)	-	-
Pension reserve	<u>(4,206,000)</u>	<u>-</u>	<u>(386,000)</u>	<u>(1,327,000)</u>	<u>(5,919,000)</u>
	<u>(3,706,433)</u>	<u>8,291,590</u>	<u>(8,395,446)</u>	<u>(1,307,705)</u>	<u>(5,117,994)</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grants	904,593	30,353	(16,681)	(4,089)	914,176
Other Capital Income	1,499,691	-	(155,288)	-	1,344,403
Other DfE/ESFA	8,129,245	-	(182,340)	-	7,946,905
General Annual Grant Fixed Asset fund	516,019	-	(9,802)	-	506,217
Unrestricted Funded Fixed Assets Fund	<u>600,343</u>	<u>-</u>	<u>(11,155)</u>	<u>15,995</u>	<u>605,183</u>
	<u>11,649,891</u>	<u>30,353</u>	<u>(375,266)</u>	<u>11,906</u>	<u>11,316,884</u>
Total restricted funds	7,943,458	8,321,943	(8,770,712)	(1,295,799)	6,198,890
Unrestricted funds					
Unrestricted general funds	<u>601,205</u>	<u>633,787</u>	<u>(622,120)</u>	<u>(31,201)</u>	<u>581,671</u>
Total funds	<u>8,544,663</u>	<u>8,955,730</u>	<u>(9,392,832)</u>	<u>(1,327,000)</u>	<u>6,780,561</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

17 Funds (continued)

Company

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	801,006	7,417,731	(6,840,965)	(105,812)	1,271,960
Pupil premium	-	236,739	(236,739)	-	-
Other DfE/ESFA grants	-	427,970	(427,970)	-	-
Other Local Authority Grant	-	195,921	(195,921)	-	-
Other restricted funds	-	230,920	(230,920)	-	-
Catch up premium	-	104,160	(104,160)	-	-
Pension reserve	<u>(5,919,000)</u>	<u>-</u>	<u>(491,000)</u>	<u>(407,000)</u>	<u>(6,817,000)</u>
	<u>(5,117,994)</u>	<u>8,613,441</u>	<u>(8,527,675)</u>	<u>(512,812)</u>	<u>(5,545,040)</u>
Restricted fixed asset funds					
Inherited fixed assets	7,946,905	-	(180,841)	-	7,766,064
DfE/ESFA capital grants	914,176	14,702	(51,517)	105,812	983,173
Capital expenditure from GAG	506,217	-	(73,954)	-	432,263
Capital expenditure	605,183	-	(2,315)	6,545	609,413
Other capital income	<u>1,344,403</u>	<u>-</u>	<u>(84,834)</u>	<u>-</u>	<u>1,259,569</u>
	<u>11,316,884</u>	<u>14,702</u>	<u>(393,461)</u>	<u>112,357</u>	<u>11,050,482</u>
Total restricted funds	6,198,890	8,628,143	(8,921,136)	(400,455)	5,505,442
Unrestricted funds					
Unrestricted general funds	<u>561,754</u>	<u>244,439</u>	<u>(495,112)</u>	<u>(6,545)</u>	<u>304,536</u>
Total funds	<u>6,760,644</u>	<u>8,872,582</u>	<u>(9,416,248)</u>	<u>(407,000)</u>	<u>5,809,978</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

17 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	499,567	7,162,220	(6,880,076)	19,295	801,006
Pupil premium	-	232,120	(232,120)	-	-
Other DfE/ESFA grants	-	436,217	(436,217)	-	-
Other Local Authority Grant	-	133,608	(133,608)	-	-
Other restricted funds	-	327,425	(327,425)	-	-
Pension reserve	(4,206,000)	-	(386,000)	(1,327,000)	(5,919,000)
	<u>(3,706,433)</u>	<u>8,291,590</u>	<u>(8,395,446)</u>	<u>(1,307,705)</u>	<u>(5,117,994)</u>
Restricted fixed asset funds					
Inherited fixed assets	8,129,245	-	(182,340)	-	7,946,905
DfE/ESFA capital grants	904,593	30,353	(16,681)	(4,089)	914,176
Capital expenditure from GAG	516,019	-	(9,802)	-	506,217
Capital expenditure	600,343	-	(11,155)	15,995	605,183
Other capital income	<u>1,499,691</u>	<u>-</u>	<u>(155,288)</u>	<u>-</u>	<u>1,344,403</u>
	<u>11,649,891</u>	<u>30,353</u>	<u>(375,266)</u>	<u>11,906</u>	<u>11,316,884</u>
Total restricted funds	7,943,458	8,321,943	(8,770,712)	(1,295,799)	6,198,890
Unrestricted funds					
Unrestricted general funds	<u>563,970</u>	<u>534,319</u>	<u>(505,334)</u>	<u>(31,201)</u>	<u>561,754</u>
Total funds	<u>8,507,428</u>	<u>8,856,262</u>	<u>(9,276,046)</u>	<u>(1,327,000)</u>	<u>6,760,644</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

17 Funds (continued)

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy.

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

The Inherited Fixed Assets Fund has been set up to recognise the tangible assets gifted to the Academy upon conversion by the local authority, which constitute the school site inherited from the local authority including the leasehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.

Other DfE/ESFA Grants - this income stream includes funding not received through the General Annual Grant but from government sources, ie Pupil Premium and the 16-19 Bursary.

Other Income - this income stream includes funding not received through any of the direct government grant routes, and will be received from various sources.

The transfer of £6,545 (2020: £31,201) between the unrestricted general fund and the restricted fixed asset fund increases the value of the fixed asset fund to adjust for capital income in the year being less than capital spend on fixed assets, with the shortfall being funded by a transfer from the restricted general fund.

HUIISH EPISCOPI ACADEMY

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

(CONTINUED)

18 Analysis of net assets between funds

Group

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	11,055,733	11,055,733
Current assets	420,519	1,866,967	-	2,287,486
Current liabilities	-	(595,007)	(2,626)	(597,633)
Creditors over 1 year	-	-	(2,625)	(2,625)
Pension scheme liability	-	(6,817,000)	-	(6,817,000)
Total net assets	420,519	(5,545,040)	11,050,482	5,925,961

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	11,253,929	11,253,929
Current assets	581,671	1,291,825	81,369	1,954,865
Current liabilities	-	(490,819)	(13,160)	(503,979)
Creditors over 1 year	-	-	(5,254)	(5,254)
Pension scheme liability	-	(5,919,000)	-	(5,919,000)
Total net assets	581,671	(5,117,994)	11,316,884	6,780,561

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

18 Analysis of net assets between funds (continued)

Company

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	11,055,733	11,055,733
Investments	-	-	1	1
Current assets	304,536	1,866,966	-	2,171,502
Current liabilities	-	(595,006)	(2,627)	(597,633)
Creditors over 1 year	-	-	(2,625)	(2,625)
Pension scheme liability	-	(6,817,000)	-	(6,817,000)
Total net assets	<u>304,536</u>	<u>(5,545,040)</u>	<u>11,050,482</u>	<u>5,809,978</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	11,253,929	11,253,929
Investments	-	-	1	1
Current assets	561,754	1,267,233	81,368	1,910,355
Current liabilities	-	(466,227)	(13,160)	(479,387)
Creditors over 1 year	-	-	(5,254)	(5,254)
Pension scheme liability	-	(5,919,000)	-	(5,919,000)
Total net assets	<u>561,754</u>	<u>(5,117,994)</u>	<u>11,316,884</u>	<u>6,760,644</u>

19 Long-term commitments, including operating leases

Company

Operating leases - company

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	104,107	93,270
Amounts due between one and five years	<u>25,962</u>	<u>55,870</u>
	<u>130,069</u>	<u>149,140</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

20 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020/21	2019/20
	£	£
Net expenditure	(447,600)	(437,102)
Depreciation	393,460	375,266
Capital grants from DfE and other capital income	(14,702)	(30,353)
Interest receivable	(1,406)	(1,200)
Defined benefit pension scheme finance cost	491,000	386,000
Decrease in stocks	1,429	2,916
Decrease/(increase) in debtors	79,603	(18,739)
Increase in creditors	93,654	2,496
Loss on disposal of tangible fixed assets	723	-
Net cash provided by Operating Activities	<u>596,161</u>	<u>279,284</u>

21 Cash flows from financing activities

	2020/21	2019/20
	£	£
Repayments of borrowing	<u>(2,629)</u>	<u>(14,182)</u>
Net cash used in financing activities	<u>(2,629)</u>	<u>(14,182)</u>

22 Cash flows from investing activities

	2020/21	2019/20
	£	£
Dividends, interest and rents from investments	1,406	1,200
Purchase of tangible fixed assets	(195,987)	(57,335)
Capital funding received from sponsors and others	<u>14,702</u>	<u>30,353</u>
Net cash used in investing activities	<u>(179,879)</u>	<u>(25,782)</u>

23 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>2,021,333</u>	<u>1,607,680</u>
Total cash and cash equivalents	<u>2,021,333</u>	<u>1,607,680</u>

HUISH EPISCOPI ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****24 Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	1,607,680	413,653	2,021,333
Loans	(18,418)	13,168	(5,250)
Total	<u>1,589,262</u>	<u>426,821</u>	<u>2,016,083</u>

25 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.

26 Pension and similar obligations

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

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

Contributions amounting to £137,657 (2020 : £127,331) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 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.

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

26 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £840,211 (2020: £794,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £432,000 (2020 - £401,000), of which employer's contributions totalled £345,000 (2020 - £315,000) and employees' contributions totalled £87,000 (2020 - £86,000). The agreed contribution rates for future years are 21 per cent for employers and 5.5 per cent for employees.

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

	At 31 August 2021	At 31 August 2020
Discount rate %	1.70	1.60
Salary scale increases per annum %	2.50	2.50
Pension increases %	<u>2.90</u>	<u>2.30</u>

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

26 Pension and similar obligations (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	2.50	2.50
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.60</u>

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

	2021	2020
Retiring today		
Males retiring today	23.10	23.30
Females retiring today	24.60	24.80
Retiring in 20 years		
Males retiring in 20 years	24.40	24.70
Females retiring in 20 years	<u>26.10</u>	<u>26.20</u>

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	11,653,000.00	9,544,000.00
Discount rate -0.1%	12,257,000.00	10,055,000.00
Mortality assumption – 1 year increase	12,427,000.00	10,159,000.00
Mortality assumption – 1 year decrease	11,476,000.00	9,446,000.00
CPI rate +0.1%	12,223,000.00	10,026,000.00
CPI rate -0.1%	<u>11,668,000.00</u>	<u>9,572,000.00</u>

The academy's share of the assets in the scheme were:

	2021	2020
	£	£
Equities	3,727,000	2,697,000
Gilts	291,000	272,000
Other bonds	534,000	422,000
Property	368,000	284,000
Cash and other liquid assets	<u>205,000</u>	<u>202,000</u>
Total market value of assets	<u>5,125,000</u>	<u>3,877,000</u>

The actual return on scheme assets was £850,000 (2020 - £121,000).

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£	£
Current service cost	742,000	624,000
Interest cost	157,000	144,000
Admin expenses	2,000	2,000
Total amount recognized in the SOFA	<u>901,000</u>	<u>770,000</u>

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

	2020/21	2019/20
	£	£
At start of period	9,796,000	7,772,000
Current service cost	742,000	624,000
Interest cost	157,000	144,000
Employee contributions	87,000	86,000
Actuarial (gain)/loss	1,376,000	653,000
Losses or gains on curtailments	(184,000)	611,000
Benefits paid	<u>(32,000)</u>	<u>(94,000)</u>
At 31 August	<u>11,942,000</u>	<u>9,796,000</u>

Changes in the fair value of academy's share of scheme assets:

	2020/21	2019/20
	£	£
At start of period	3,877,000	3,566,000
Interest income	65,000	69,000
Actuarial gain/(loss)	785,000	(63,000)
Employer contributions	345,000	315,000
Employee contributions	87,000	86,000
Benefits paid	<u>(32,000)</u>	<u>(94,000)</u>
Effect of non-routine settlements	<u>(2,000)</u>	<u>(2,000)</u>
At 31 August	<u>5,125,000</u>	<u>3,877,000</u>

27 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

There were no other related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.

HUISH EPISCOPI ACADEMY

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

(CONTINUED)

28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £23,018 and disbursed £23,018 from the fund. The ESFA does not require repayment of the unspent funds.