



**THE SOUTHWATER INFANT ACADEMY**

(A Company Limited by Guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

**Members:** Mr D Smith (appointed 23/02/2011)  
Ms M Richards (appointed 23/02/2011)  
Mrs D Dowling (appointed 23/02/2011)

**Trustees:** Mr A Harker, Chair (07/10/2020, co-opted 07/10/2020, resigned 02/12/2021)  
Mrs C Quinlisk, Vice Chair (07/10/2020) Parent (reappointed 19/01/2021), Chair (08/12/21)  
Mrs C Cavallo, Headteacher and Accounting Officer (01/09/2017)  
Mrs A Mason, co-opted (appointed 19/01/2021)  
Mr Peter Buckley, (co-opted) (appointed 17/10/2018)  
Mr Jay Shekleton (co-opted) (appointed 02/10/2019, resigned 14/10/21)  
Mrs Katy Tyrell (co-opted) (appointed 16/03/2021)  
Mrs Jenny Legg (parent) (appointed 27/11/2020)  
Ms Nava Flower (parent) (appointed 27/11/2020)  
Mrs Claire Hurdle (co-opted) (appointed 02/10/2019, resigned 18/10/21)  
Dr Steve Romans (co-opted) (appointed 09/12/2020)  
Mrs K Davis, co-opted (resigned 18/04/2021)

**Senior Management Team:** Mrs. C. Cavallo, Headteacher  
Mrs. V. Dilling, Deputy Headteacher  
Mrs. A. Parsons, Assistant Headteacher (left the academy 25/4/21)

**Company Name:** The Southwater Infant Academy

**Registered Office:** Worthing Road, Southwater, Horsham, West Sussex. RH13 9JH

**Company Registration Number:** 07540811

**Independent Auditor:** Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

**Bankers:** HSBC plc, West Street, Horsham, West Sussex. RH12 1PE

**Solicitors:** West Sussex County Council, County Hall, Chichester, West Sussex, PO19 1RQ

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

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 years to 7 years serving a catchment area in Southwater and the surrounding area. It has a pupil capacity of 360 and had a roll of 312 in the school census in Autumn 2020.

### **Structure, Governance and Management**

#### **Constitution**

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

Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on the preceding pages of this document.

#### **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**

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

#### **Method of Recruitment and Appointment or Election of Trustees**

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The Headteacher
- A minimum of 2 Parent Trustees
- Co-opted Trustees
- Up to 3 Trustees appointed by the Members,
- Any Trustees appointed by the Secretary of State for Education

The term of office for any Trustee is 4 years. The Headteacher's term of office runs parallel with her term of appointment. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

During the period under review the Trustees held three Board of Trustees meetings. The training and induction provided for new trustees will depend on their existing experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters.

All new trustees are given a tour of the academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to understand their role as Trustees and directors of the academy.

#### **Organisational Structure**

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the Trustees and the executives who are the senior leadership team.

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

The Board of Trustees has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The Board of Trustees has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Headteacher assumes the accounting officer role.

**Arrangements for setting Pay and Remuneration of Key Management Personnel**

The academy has a Pay Policy in place which is reviewed annually. In line with this policy, key management personnel go through an annual appraisal, the report of which contains recommendations on pay progression, if that is possible. The Headteacher is responsible for submitting any recommendations for pay progression, in accordance with the relevant sections of the Pay Policy, to the Resources Committee for approval.

**Trade Union Facility Time**

The Southwater Infant Academy has not had more than 49 full-time equivalent employees throughout any seven months within the reporting period, and does not have any time spent on Trade Union facility time to disclose.

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

Mrs J. Legg, a Parent Trustee, owns a company, "Training Legs First Aid", which has supplied accredited Paediatric and Basic First aid training to the academy staff during the year, amounting to a cost of £900.

Mr D. Smith, a Member, has close relatives, his wife and daughter, who own "The Little Teahouse", Southwater. The academy has purchased supplies from this company to the value of £110 during this accounting period.

These related party transactions have both been declared to the ESFA on the online form, as required, and on the Register of Business Interests on the academy's website.

**Objectives and Activities**

**Objects and Aims**

The principal object and activity of the academy is the operation of The Southwater Infant Academy to provide a broad and balanced education for pupils of all abilities in the Southwater area. The trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

**Objectives, Strategies and Activities**

The academy undertook self-evaluation activities to correctly identify objectives for the year 2020/2021. Our three key objectives covering our continuing development priorities are:

1. Ensure a curriculum is in place that enables rapid progress in core subjects while still remaining broad and balanced.

After the lockdown in March 2020 due to the global Covid-19 pandemic, it was apparent that children had missed out on key learning opportunities and time in school. As such, on our return to a full reopening in September 2020, staff carried out baseline assessment tasks to identify the children's starting points. From these, curriculum adaptations were made to identify areas of learning that should be prioritised for the coming academic year. While a strong focus was made on the core subjects of reading, writing and maths, staff also ensured that there were opportunities and time given to other curriculum areas to our curriculum remained broad and balanced.

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

With a further lockdown taking place in January 2021, the academy moved to a dual system of in-school learning for vulnerable and key worker families, and remote learning for all other children. Staffing was reorganised to ensure that there was high quality learning taking place in school, and that accessible and supportive learning was available remotely. The remote learning and in-school learning followed the same plans to ensure consistency of the curriculum offer, and the Senior Leadership Team monitored this to ensure that remote learning met at least the minimum requirements set out by the government.

On return to a full reopening in March 2021, teachers planned together the areas and objectives that would be prioritised over the remainder of the academic year to ensure readiness for the transition to the next year group. Again, core subject areas were prioritised while still ensuring that children experienced a broad range of other subjects and experiences.

2. Develop Subject Leadership across the academy, with clear progression of knowledge and skills and vocabulary for each area.

Subject Leaders continued their development work at the start of the year, and a November INSET CPD on Subject Leadership helped staff to better understand their roles. Subject Leader release time was provided to enable staff to complete curriculum plans for their subject area, and to identify adaptations that might need to be made as a result of the lockdown in March 2020. Strict Bubble arrangements made it difficult for Subject Leaders to observe lessons, however internal data and work scrutiny was used to measure progress and outcomes in each subject, and year group teams worked together to moderate and agree internal assessments.

3. Prepare for the introduction of the new EYFS Framework in September 2021

CPD was provided for the Senior Leadership Team and Early Years Leads to identify and highlight the key changes to the Early Years Curriculum. Release time was provided for the Early Years Leads to begin adapting and updating the curriculum. Other Early Years teachers also took on Areas of the Early Years curriculum to adapt under the supervision of the SLT.

Key resources were identified that would be needed to effectively deliver new objectives, and these were purchased in advance of the new year. Subject Leaders also began to look at changes in progression that would be happening due to the different outcomes at the end of the new Early Years Framework.

Locality Early Years Network Meetings were attended by a member of the Academy Early Years Team, where collaboration and sharing of ideas took place. This information was then brought back to the academy and disseminated to the rest of the staff team.

All adaptations were reviewed by the SLT at the end of the academic year, and it was agreed that additional release time for the Early Years Leads would continue into the next year to enable monitoring and embedding of the changes that had taken place.

#### **Public Benefit**

In setting the objectives, the Trustees 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.

As an academy we make the best use of our skills, expertise and experience with regards to the community.

Some examples of this are:

- o Raising money for local, national, and international charities
- o Providing community events such as the annual firework display, Christmas, Spring and Summer fairs
- o Giving the opportunity for work experience to local Secondary school and College pupils
- o Collaboration and support of local schools through the West Horsham Network

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**TRUSTEES' REPORT (CONTINUED)**  
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**Strategic Report - Achievements and Performance**

**Key Performance Indicators**

A focus on Quality of Education was continued over the year in light of the initial lockdown the previous year, and the additional lockdown implemented in January 2021. Specific areas of the curriculum had not been covered as effectively as normal due to remote learning taking place for many children. As a result, teachers identified key learning objectives, skills, and knowledge that were prioritised to ensure that children were able to progress successfully to the next year group.

Monitoring systems were adapted to take account of the restrictions placed on schools. Work scrutinies, Learning Walks and Drop In's still took place, however these were carried out by individual staff members who collectively shared findings afterwards to avoid working in close contact. This enabled progress and outcomes to still be monitored for children in a safe manner.

Revisions to assessing and reporting were made, with a stronger focus on formative assessment to enable teachers to better plan for learning. This was essential due to the differences between learning experiences for children who undertook remote learning. Reporting to parents focussed on readiness to progress rather than outcomes. The cancellation of National tests and assessments meant there was no comparable data across schools, and the time out of school had made it very difficult to carry these out.

Our focus for the coming year is to continue to address the gaps and missed learning for children, enabling them to make rapid progress. We also aim to ensure that we are providing high quality learning opportunities for children who are forced to isolate. To support this, we are continuing to use effective formative assessment to inform planning, and ensuring that monitoring is used to measure the quality of education.

**End of EYFS Results – July 2021**

The 2021 lockdown and subsequent cancellation of all tests and assessments meant that there was no verified data to measure the achievement of learners across the academy. Internal monitoring processes carried out up until the academy closure however, showed that children were on track to achieve outcomes above National in all areas.

The baseline data for 2020 / 2021 continued the trend of lower starting points compared to previous years, however this was also likely impacted by the lockdown in March 2020. By the end of the Autumn Term, children had made good progress towards meeting the targets set for them. 70% of children were on track to make a 'Good Level of Development' at the end of the year. In 2019, the outcomes were 72% in county & 72% nationally. Strengths across the EYFS were:

- Embedding improvements in phonics through the Song of Sounds programme
- Progress across all areas of learning was very good up to the academy closure

**End of Key Stage 1 Results – July 2021**

The lockdown and cancellation of all tests and assessments meant that there was no verified data to measure the achievement of learners across the academy. Internal monitoring processes carried out up until the academy closure however, showed that children were on track to achieve outcomes above National in all areas.

The analysis of internal monitoring has highlighted the following:

**Reading**

- Meeting Ready to Progress end of year expectations    SIA - 75%, (2019 County 75%, National 75%)
  - Ready to Progress Greater Depth in Reading            SIA – 30%, 2019 County 21%, National 25%
- Reading expectations showed that this continues to be a strength of the Academy

**Writing**

- Meeting Ready to Progress end of year expectations    SIA 70%, (2019 County 68%, National 69%)
- Ready to Progress Greater Depth in Writing            SIA 14%, (2019 County, 11%, National, 15%)

- Expectations in writing had been maintained for all learners, and improved for children on track to meet Greater Depth

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**TRUSTEES' REPORT (CONTINUED)**  
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**Maths**

- Meeting Ready to Progress end of year expectations SIA - 75%, (2019 County 74%, National 76%)
- Ready to Progress Greater Depth in Maths SIA – 29%, (2019 County 17%, National 22%)

**Science**

- Meeting Ready to Progress end of year expectations SIA - 84%, (2019 County 83%, National 83%)

**PHONICS SCREENING CHECK**

Phonics Screening was carried out in Autumn 2020 for Year 2 children, as these children were not able to be assessed in Year 1. A follow up assessment was carried out internally for Year 1 children and Year 2 children in Summer 2021 using a previous Phonics Screening assessment.

Outcomes for Phonics Screening:

Year 2 Autumn 2020 - 76% (2019 National 82%)

Year 2 Summer 2021 (internal assessment) - 89%

Year 1 Summer 2021 (internal assessment) - 79% (2019 National 82%)

To be introduced in 2021/2022:

- Phonics outcomes in 2022 for Year 1 to be at least in line with National outcomes
- Embed Song of Sounds into all year groups at the academy
- Begin to phase in phonics reading books across EYFS, with a view to having these in all year groups by the end of 2023
- Targeted daily phonics groups for Year 2 children in Autumn who are identified as needing extra support
- Support phonics with spelling learning using the 'Read, Write Inc' and Oxford Owl spelling programmes
- Continue to use personal dictionaries to encourage independence in spelling

**Going Concern**

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

**Impact of COVID-19 on the Academy Trust**

**Changes to governance and control arrangements**

The continued restrictions placed on schools during the pandemic made monitoring and meeting in person impossible. Online and virtual systems continued to be used to enable these systems to continue remotely. All Trustee meetings were held using Microsoft Teams, and the Headteacher met weekly with the Chair and Vice Chair of Trustees to discuss issues facing the academy. Trustee committee meetings continued, but the meetings were widened to enable all trustees to attend. This ensured all trustees had a better overview of how the academy was meeting its obligations.

The Clerk to Trustees worked remotely through the partial lockdown in Spring, ensuring statutory duties were met, policies were reviewed, and meetings were minuted. The Headteacher provided updates for the Board, documenting the challenges and decisions that had been made.



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**TRUSTEES' REPORT (CONTINUED)**  
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**Managing the return for Staff and Pupils**

In preparing for the full reopening in September 2020, the guidance provided by the DfE was used to plan and prepare. Risk Assessments were carried out and shared with all staff and trustees, and support was provided from the West Sussex MAT group where necessary. In addition, the West Horsham Headteachers locality group met weekly to discuss developments and decisions being made.

Following the announcement of another partial lockdown in January 2021, the academy moved to a dual system of in-school and remote learning. Vulnerable staff worked remotely throughout this lockdown, and all other staff worked on a rota system on in-school / remote learning.

The Risk Assessments were then revised to enable reopening plans to be completed for the reopening of schools in March, and again these were shared with all staff. Changes were made to these plans as Government guidance changed and as staff provided feedback. All decisions made regarding the Risk Assessments and Reopening Plans were documented through emails with the staff team, and also with the Chair and Vice Chair of Trustees. The Trustee SharePoint enabled the Board of Trustees to see and comment on Risk Assessments and Plans as they developed.

Additional cleaning procedures were continued throughout the year to minimise the risk of infection to staff and children. Extra cleaning materials and procedures were used to ensure that high contact areas were cleaned regularly throughout the day, and a more thorough clean took place at the end of each week. Additional soap, paper towels and hand sanitiser were purchased, and regular orders were placed to ensure stock remained at good levels. Lidded bins were purchased for each classroom to ensure that tissues were disposed of safely.

Good communication was kept with parents and carers of children at the academy throughout the lockdown period, and when full reopening was announced, the academy communicated the plans and risk mitigation clearly and carefully to all families. Remote learning systems were kept in place for children who had to isolate at any time due to Covid.

**Strategic Report - Financial Review**

**Finance Review**

The academic year was again dominated by Covid-19 restrictions, impacting primarily on cleaning material costs, and water usage. The total spend on cleaning materials was **£6,723**, against a budget of £3,500, and AY19-20 spend of £3,211. Water and sewerage costs were **£5,580**, against a budget of £4,500, and AY19-20 spend of £3,767. Strict regular handwashing regimes were in place for all pupils and staff.

The Teaching Assistant/Higher level Teaching Assistant who had been absent with "long Covid" since March 2020 was unable to return to work until after Easter 2021, then starting on a trial and phased return basis. The academy had to employ an additional staff member to cover both her roles.

A teacher, not due to start her maternity leave until 31 May 2021, had to work from home after the Easter holidays when all pupils were back at the academy as "normal", due to Government recommendations. This meant a replacement teacher was required for the entire summer term, rather than just for June and July 2021. The academy experienced enormous difficulty in trying to recruit a short-term cover teacher, so ended up going through an agency, incurring "introduction" fees of **£2,661**.

The Assistant Headteacher left after the Easter holidays, leaving the academy with a class teacher vacancy, which could only be filled by an agency teacher for the summer term. The senior management team has subsequently been re-structured for the new AY21-22.

The lockdown from 4 January to 7 March 2021 meant that the Procurement Policy Note (PPN)-Supplier relief due to Covid-19 directive was adopted again, although PPN 02/20 and PPN 04/20 had both expired. This was as per the government and local authority advice. The company supplying the academy's pupils with Universal Infant Free School Meals (UIFSM), and Free School Meals (FSM) was classified as a "critical", "at risk" supplier. Normal numbers of lunches were paid for, calculated from the average lunches taken during September to December 2020. All supplier invoices were paid promptly.

The on-site third-party Nursery provision remained open for the entire academic year, but the breakfast and after-school club closed during February 2021 as it was not deemed financially viable to operate with the reduced pupil numbers and higher staff levels necessary. This, together with no lettings to external organisations, meant a loss of income of £1,700 to the academy during the year.

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The pupil numbers increased from 289 (October 2019 census) to 312 (October 2020 census) which meant that the academy qualified for "growth funding" during the academic year of **£54,510**.

The academy's catering contract had been in place for 5 years so it was considered prudent and "good practice" to re-tender for the new AY21-22, not that there was any dis-satisfaction with the current supplier's service. Due to the specific catering organisational needs of the academy, out of the four companies invited to tender, three pulled out as they were unable to fulfil the tender requirements. This left the current supplier as the only company tendering for the contract. The latter reduced the price/lunch to match that of the ESFA funding, at £2.34, to take effect from September 2021. The AY20-21 cost to the academy was **£2.35** per lunch provided.

The academy took on a new 3-year fixed price gas contract from 1 September 2020 to 31 August 2023, securing it with Corona Energy, via the Yorkshire Purchasing Organisation Schools Energy Service.

The academy also procured a new 3-year fixed price electricity contract via Dukefield Energy (recommended under the CPC Utilities, Supplies and Services framework) with SSE Green, which uses high levels of electricity from renewable sources. This runs from 1 August 2021 to 31 July 2024.

The academy changed staff absence insurance provider on 1 July 2021, moving away from Absence Protection Limited, back to School Advisory Services (S.A.S.), (both recommended under the CPC framework) as APL was becoming too expensive. SAS were able to provide the academy with the same level of cover for its two teachers on maternity leave.

The two new double modular classroom buildings, supplied and funded by West Sussex County Council, were ready for occupancy in January 2021. The cost of these was stated as £750,000, but the academy still awaits official documentation from West Sussex to verify this. The buildings are being depreciated over 25 years, as the expected useful life.

The internal playground fencing project was completed in April 2021, costing a total of **£25,336.85**. This was financed by Devolved Formula Capital (DFC) £7,262.50; the sale of fixed assets and a HP for Education cash back promotion £1,000; a Friends of Southwater Infant Academy (FSIA) donation of £3,000; and, Capital Reserves held at 31 August 2021 of £14,074.35

The excess revenue restricted funds at 31 August 2021 will be transferred to Restricted Fixed Asset funds, earmarked for the playground re-surfacing and re-marking project intended to be completed over the summer holidays 2022.

### **Reserves Policy**

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free')

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling £627k (2020: £432k). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might

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affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

**Investment Policy**

Investment policies are determined by the Board of Trustees. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Board of Trustees for consideration.

As at 31 August 2021, no investments were held.

**Principal Risks and Uncertainties**

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school 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) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2021. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

**Fundraising**

The academy engages in fundraising activities throughout the academic year, both for specific projects and to augment the annual education budget. Due to Covid restrictions, many fundraising events were unable to be held this year. Smaller activities were still carried out, such as children creating Christmas Cards to sell to parents / carers. The income and expenditure pertaining to all fundraising activities (including the allocation of funds) is independently reviewed by the Responsible Officer, who reports their findings directly to the board of trustees.

The board of trustees will also respond directly to any complaints that arise pertaining to fundraising events, with the Responsible Officer acting as an independent intermediary if deemed to be necessary.

**Streamlined Energy and Carbon Reporting**

As the academy has not consumed more than 40,000kWh of energy in this academic year, it qualifies as a low energy user under these regulations, and is not required to report on its emissions, energy consumption or energy efficiency activities.

**Plans for Future Periods**

The Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan. Over the coming year priority will be given to the refurbishment of the playground and outdoor markings.

Reduced numbers of children joining the academy in Reception at the start of the AY21-22 have been managed with no

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need for staff reductions. It is anticipated that intake numbers may again be low in September 2022, however staff planning is taking account of this to avoid redundancy costs where possible.

The full impact of Covid-19 is still unknown, and it continues to present many challenges for the academy. Our key targets for the academy have taken this into the consideration.

The three key targets for 2021/22 are;

1. Disadvantaged Leader to raise the profile of disadvantaged learners, and ensure effective targeted provision is delivered to maximise progress.
2. Through training and support, implement a Therapeutic Thinking approach to behaviour management across the academy.
3. Embed the new EYFS Framework in September 2021, ensuring all staff are aware of key changes.

**Additional Leadership and Management Targets are:**

- Provide induction and support for the new SENDCo, ensuring an effective transition and provision for SEND learners.
- Develop the role of the Deputy Headteacher to ensure sustainability and improved leadership.
- Develop leadership capacity across the academy, through training and CPD for the new Year 2 Leader.

**Funds Held as Custodian Trustee on Behalf of Others**

The Academy Trust and its trustees did not act as custodian trustee during the current or previous period.

**Auditor**

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 8 December, 2021 and signed on the board's behalf by:



Mrs C Quinlisk

**Chair of Trustees**

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that The Southwater Infant 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.

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

The board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Southwater Infant 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.

**THE SOUTHWATER INFANT ACADEMY**  
(A Company Limited by Guarantee)

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Harker appointed Chair 07 October 2020	4	4
Mrs C Quinlisk Vice Chair 07 October 2020	3	4
Mrs C Cavallo, Head Teacher	4	4
Mrs A Mason	2	4
Mr Peter Buckley	4	4
Mr Jay Shekleton	4	4
Mrs Claire Hurdle	3	4
Mrs Jenny Legg	2	2
Mrs Nava Flower	2	2
Dr Steve Romans	1	2
Mrs Katy Tyrrell	2	2
Mrs K Davis, resigned 18 April 2021	3	4

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to monitor the finances of the academy and ensure that resources are used for the purposes intended.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Andy Harker, Chair	7	7
Mrs K Davis	2	3
Mrs C Cavallo	7	7
Mr P Buckley	7	7
Mr Jay Shekleton	6	7
Dr Steve Romans	3	5

**Governance Review**

The Trustees have continued to review and evaluate the structure and working practices of the trust during 2020/2021. The resignation of the Chair in March 2020 resulted in the Vice Chair taking on the role of Chair temporarily. This Trustee was then officially voted in as Chair at the Full Trustee Board Meeting in October 2020. A new Vice Chair was elected at the same time. Throughout this period, the academy Members supported the board.

Despite Covid restrictions, the Board of Trustees has continued to work as effectively and efficiently as possible, adapting through the introduction of remote meetings. The Trustees continue to undertake monitoring to ensure they have a deeper understanding of the areas identified on the Academy Improvement Plan and to keep abreast of all the changes in curriculum and assessment, and of all the challenges due to Covid. This gives the Board of Trustees as a whole confidence that key areas of the academy's work are understood and scrutinised.

Following an internal review of the skills and experience across the Board, and the resignation of the Chair, three new Trustees were appointed in November 2020. Induction and training was provided for these new Trustees

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

over the year, and they attended a range of committee meetings to develop their understanding of the role of the Trustee and how this supports the work of the academy. Further training will be provided over the coming year to enable these Trustees to take on lead roles within the Board.

A review of the Terms of Reference, Work Plans and Risk Register for each of the 3 committees was carried out in 2020/2021, to ensure the Board of Trustees continues to meet its statutory responsibilities and provide appropriate challenge.

The Skills Audit of all Members and Trustees carried out last year has been updated to include the new Trustees. The output from this will then be used to review the constitution of the Board of Trustees and highlight areas for training and development.

**Review of value for money**

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

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

- Using internal staff to cover supply or absence whenever possible, reducing the cost of agency or additional staff,
- The Pupil Premium support was continued using the Pupil Premium Grant funding. The Pupil Premium Grant Trustees ensured the funding was spent appropriately and benefitted the pupils involved. Targeted individual support in class ensured we achieved improvements in progress for children in receipt of Pupil Premium, and will be continued into next year.
- Using the Covid Catch Up funding to provide targeted support and interventions for children, that have been proven to be effective through research by the EEF. This support was used to improve outcomes for disadvantaged children and those most affected by the pandemic.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Southwater Infant Academy for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The risk and control framework**

The academy trust's system of internal financial control is based on a framework of regular management

**THE SOUTHWATER INFANT ACADEMY**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

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 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:

- not to appoint an auditor for this purpose. However, the trustees have appointed Mr. Peter Buckley, a trustee, to carry out a programme of internal checks during the year.

The internal reviewer'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:

- Fire Risk Assessment findings
- COVID Catch-up Premium spend
- Safeguarding procedures within the academy

On a termly basis, the reviewer reports to the board of trustees, through the Audit and Risk 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 agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

**Review of effectiveness**

As accounting officer, the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

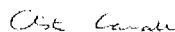
- the work of the internal reviewer
- the work of the external auditor
- the school resource management self-assessment tool

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk 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 8 December 2021 and signed on their behalf by:



**Mrs C Quinlisk**  
Chair of Trustees



**Mrs C Cavallo**  
Accounting Officer



**THE SOUTHWATER INFANT ACADEMY**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the 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. Cavallo*

**Mrs C Cavallo**  
**Accounting Officer**  
Date: 8 December 2021

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 8 December 2021 and signed on its behalf by:



**Mrs C Quinlisk**  
Chair of Trustees

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
SOUTHWATER INFANT ACADEMY**

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
SOUTHWATER INFANT ACADEMY (CONTINUED)**

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

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

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

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
SOUTHWATER INFANT ACADEMY (CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements**

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

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

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

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

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

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

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

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

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

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

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE**  
**SOUTHWATER INFANT ACADEMY (CONTINUED)**

**Use of our report**

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



FOR LANDAU BAKER LIMITED

**Carly Pinkus (Senior Statutory Auditor)**

for and on behalf of

**Landau Baker Limited**

Chartered Accountants

Statutory Auditors

Mountcliff House

154 Brent Street

London

NW4 2DR

8 December 2021

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
SOUTHWATER INFANT ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 November 2011 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Southwater Infant Academy during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Southwater Infant Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Southwater Infant Academy's funding agreement with the Secretary of State for Education dated 21 June 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

**Conclusion**

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

*Landau Baker Limited*

Reporting Accountant  
**Landau Baker Limited**  
Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London  
NW4 2DR

Date: 8 December 2021



**THE SOUTHWATER INFANT ACADEMY**  
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	16,063	-	761,263	777,326	37,684
Charitable activities		-	1,392,850	-	1,392,850	1,219,976
Teaching schools		-	-	-	-	91,236
Other trading activities		22,811	3,800	-	26,611	21,060
Investments	6	14	-	-	14	-
<b>Total income</b>		<b>38,888</b>	<b>1,396,650</b>	<b>761,263</b>	<b>2,196,801</b>	<b>1,369,956</b>
<b>Expenditure on:</b>						
Raising funds		15,699	-	-	15,699	21,372
Charitable activities	8	-	1,458,547	76,478	1,535,025	1,370,807
Teaching schools		-	-	-	-	94,802
<b>Total expenditure</b>		<b>15,699</b>	<b>1,458,547</b>	<b>76,478</b>	<b>1,550,724</b>	<b>1,486,981</b>
<b>Net income/(expenditure)</b>		<b>23,189</b>	<b>(61,897)</b>	<b>684,785</b>	<b>646,077</b>	<b>(117,025)</b>
Transfers between funds	19	-	(25,915)	25,915	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>23,189</b>	<b>(87,812)</b>	<b>710,700</b>	<b>646,077</b>	<b>(117,025)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	28	-	(113,000)	-	(113,000)	41,000
<b>Net movement in funds</b>		<b>23,189</b>	<b>(200,812)</b>	<b>710,700</b>	<b>533,077</b>	<b>(76,025)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		301,178	(251,148)	2,541,304	2,591,334	2,667,359
Net movement in funds		23,189	(200,812)	710,700	533,077	(76,025)
<b>Total funds carried forward</b>		<b>324,367</b>	<b>(451,960)</b>	<b>3,252,004</b>	<b>3,124,411</b>	<b>2,591,334</b>

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

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

The notes on pages 28 to 53 form part of these financial statements.

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07540811**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	3,233,702	2,535,631
		<u>3,233,702</u>	<u>2,535,631</u>
<b>Current assets</b>			
Debtors	15	37,505	43,710
Cash at bank and in hand		627,805	613,897
		<u>665,310</u>	<u>657,607</u>
Creditors: amounts falling due within one year	16	(141,038)	(161,466)
<b>Net current assets</b>		<u>524,272</u>	<u>496,141</u>
<b>Total assets less current liabilities</b>		<u>3,757,974</u>	<u>3,031,772</u>
Creditors: amounts falling due after more than one year	17	(6,563)	(8,438)
<b>Net assets excluding pension liability</b>		<u>3,751,411</u>	<u>3,023,334</u>
Defined benefit pension scheme liability	28	(627,000)	(432,000)
<b>Total net assets</b>		<u><u>3,124,411</u></u>	<u><u>2,591,334</u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	3,252,004	2,541,304
Restricted income funds	19	175,040	180,852
		<u>3,427,044</u>	<u>2,722,156</u>
Restricted funds excluding pension asset	19	3,427,044	2,722,156
Pension reserve	19	(627,000)	(432,000)
<b>Total restricted funds</b>	19	<u>2,800,044</u>	<u>2,290,156</u>
<b>Unrestricted income funds</b>	19	<u>324,367</u>	<u>301,178</u>
<b>Total funds</b>		<u><u>3,124,411</u></u>	<u><u>2,591,334</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 53 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07540811**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**



**Mrs C Quinlisk**  
Chair of Trustees

The notes on pages 28 to 53 form part of these financial statements.

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	29,055	13,902
<b>Cash flows from investing activities</b>	24	(13,272)	806
<b>Cash flows from financing activities</b>	23	(1,875)	(1,875)
<b>Change in cash and cash equivalents in the year</b>		13,908	12,833
Cash and cash equivalents at the beginning of the year		613,897	601,064
<b>Cash and cash equivalents at the end of the year</b>	25, 26	<u>627,805</u>	<u>613,897</u>

The notes on pages 28 to 53 form part of these financial statements

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

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

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

• **Grants**

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

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

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

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **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 year it is receivable and to the extent the academy has provided the goods or services.

**1.4 Expenditure**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

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

**1. Accounting policies (continued)**

**1.6 Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long term leasehold property	- 125 years
Improvements to leasehold premises	- 10 - 30 years
Plant and machinery	- 5 - 10 years
Computer equipment	- 2 years

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

**1.7 Debtors**

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

**1.8 Cash at bank and in hand**

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

**1.9 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.



**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.10 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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 instruments.

**1.11 Pensions**

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

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

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

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

**THE SOUTHWATER INFANT ACADEMY**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.12 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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.

**3. Income from donations and capital grants**

Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
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**THE SOUTHWATER INFANT ACADEMY**  
(A Company Limited by Guarantee)

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

**3. Income from donations and capital grants (continued)**

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	16,063	4,000	20,063	30,478
Capital Grants	-	7,263	7,263	7,206
Grants	-	750,000	750,000	-
	<u>16,063</u>	<u>761,263</u>	<u>777,326</u>	<u>37,684</u>
<i>Total 2020</i>	<u>24,403</u>	<u>13,281</u>	<u>37,684</u>	

**4. Funding for the academy's educational activities**

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DfE/ESFA grants</b>			
GAG	1,090,304	1,090,304	1,008,275
Other DfE/ESFA grants			
UIFSM	111,595	111,595	102,914
Pupil premium	19,886	19,886	25,277
Others	75,279	75,279	68,728
	<u>-</u>	<u>1,297,064</u>	<u>1,205,194</u>
<b>Other Government grants</b>			
Local authority grants	70,406	70,406	14,570
	<u>70,406</u>	<u>70,406</u>	<u>14,570</u>
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up Premium	24,960	24,960	-
Other DfE/ESFA Covid-19 funding	420	420	212
	<u>25,380</u>	<u>25,380</u>	<u>212</u>
	<u>1,392,850</u>	<u>1,392,850</u>	<u>1,219,976</u>
<i>Total 2020</i>	<u>1,219,976</u>	<u>1,219,976</u>	

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

**4. Funding for the academy's educational activities (continued)**

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy'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 academy received £24,960 of funding for catch-up premium and costs incurred in respect of this funding totalled £17,122, with the remaining £7,835 to be spent in 2021/22.

**5. Income from other trading activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	6,036	4	6,040	5,571
Insurance claims	-	3,796	3,796	1,800
Lettings	16,775	-	16,775	13,689
	<u>22,811</u>	<u>3,800</u>	<u>26,611</u>	<u>21,060</u>
<i>Total 2020</i>	<u>19,254</u>	<u>1,806</u>	<u>21,060</u>	

**6. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income - local cash	<u>14</u>	<u>14</u>	<u>-</u>

**THE SOUTHWATER INFANT ACADEMY**  
(A Company Limited by Guarantee)

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

**7. Expenditure**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising voluntary income:					
Direct costs	-	-	16,576	16,576	19,293
Expenditure on fundraising trading activities:					
Direct costs	-	-	(877)	(877)	2,079
Educational activities:					
Direct costs	966,840	-	53,808	1,020,648	884,973
Allocated support costs	191,085	147,119	176,173	514,377	485,834
Teaching school	-	-	-	-	94,802
	<u>1,157,925</u>	<u>147,119</u>	<u>245,680</u>	<u>1,550,724</u>	<u>1,486,981</u>
<i>Total 2020</i>	<u>1,087,745</u>	<u>124,029</u>	<u>275,207</u>	<u>1,486,981</u>	

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational activities	<u>1,535,025</u>	<u>1,535,025</u>	<u>1,370,807</u>
<i>Total 2020</i>	<u>1,370,807</u>	<u>1,370,807</u>	

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

**8. Analysis of expenditure on charitable activities (continued)**

**Summary by expenditure type**

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational activities	1,055,012	76,478	403,535	1,535,025	1,370,807
<i>Total 2020</i>	958,511	53,169	359,127	1,370,807	

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational activities	1,020,648	514,377	1,535,025	1,370,807
<i>Total 2020</i>	884,973	485,834	1,370,807	

**Analysis of direct costs**

	Educational activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	937,927	937,927	820,802
Educational supplies and services	24,343	24,343	25,141
Staff development	4,357	4,357	5,787
Other direct costs	25,108	25,108	19,365
Agency supply teaching costs	28,913	28,913	13,878
	1,020,648	1,020,648	884,973
<i>Total 2020</i>	884,973	884,973	

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

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational activities 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Pension finance costs	8,000	<b>8,000</b>	7,000
Staff costs	117,085	<b>117,085</b>	137,709
Depreciation	76,478	<b>76,478</b>	53,169
Maintenance of premises and equipment	11,032	<b>11,032</b>	12,986
Cleaning	43,786	<b>43,786</b>	38,124
Rent and rates	6,554	<b>6,554</b>	6,582
Water and energy costs	20,424	<b>20,424</b>	13,168
Insurance	5,544	<b>5,544</b>	9,108
Other support costs	17,384	<b>17,384</b>	14,389
Universal infant free school meal costs	119,421	<b>119,421</b>	109,014
Non-cash pension costs	74,000	<b>74,000</b>	69,000
Governance costs	14,669	<b>14,669</b>	15,585
	<u>514,377</u>	<u><b>514,377</b></u>	<u>485,834</u>
<i>Total 2020</i>	<u>485,834</u>	<u>485,834</u>	

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<i>2020 £</i>
Depreciation of tangible fixed assets	<b>76,478</b>	56,740
Fees paid to auditors for:		
- audit	<b>6,065</b>	6,690
- other services	<b>960</b>	2,030
	<u><b>73,503</b></u>	<u>65,460</u>

**THE SOUTHWATER INFANT ACADEMY**  
(A Company Limited by Guarantee)

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

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	805,272	763,096
Social security costs	62,741	57,791
Pension costs	186,999	176,450
	<u>1,055,012</u>	<u>997,337</u>
Agency staff costs	28,913	21,408
Non-cash pension costs	74,000	69,000
	<u><u>1,157,925</u></u>	<u><u>1,087,745</u></u>

**b. Staff numbers**

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

	2021 No.	2020 No.
Teachers	12	12
Administration and support	27	26
Management	3	3
	<u>42</u>	<u>41</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	11	10
Administration and support	14	13
Management	3	3
	<u>28</u>	<u>26</u>



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

**11. Staff (continued)**

**c. Higher paid staff**

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

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

**d. Key management personnel**

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page . The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £210,873 (2020 £220,264).

**12. Trustees' remuneration and expenses**

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

		2021 £	2020 £
Mrs C Cavallo	Remuneration	70,000 - 75,000	60,000 - 65,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

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

**13. Trustees' and Officers' insurance**

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

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

**14. Tangible fixed assets**

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	2,760,384	101,983	62,808	2,925,175
Additions	774,549	-	-	774,549
At 31 August 2021	3,534,933	101,983	62,808	3,699,724
<b>Depreciation</b>				
At 1 September 2020	287,353	62,791	39,400	389,544
Charge for the year	59,779	5,063	11,636	76,478
At 31 August 2021	347,132	67,854	51,036	466,022
<b>Net book value</b>				
At 31 August 2021	3,187,801	34,129	11,772	3,233,702
At 31 August 2020	2,473,031	39,192	23,408	2,535,631

**15. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	1,216	1,011
Prepayments and accrued income	20,202	19,097
Tax recoverable	13,075	10,465
Grants receivable	3,012	13,137
	37,505	43,710

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

**16. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Other loans	1,875	1,875
Trade creditors	11,652	33,498
Other taxation and social security	13,313	14,978
Other creditors	19,650	18,765
Accruals and deferred income	94,548	92,350
	<u>141,038</u>	<u>161,466</u>

Other loan accounts falling due within one year relates to £1,875 from Salix Finance Limited which is unsecured and free of interest.

	2021 £	2020 £
Deferred income at 1 September 2020	79,447	96,151
Resources deferred during the year	81,705	79,447
Amounts released from previous periods	(79,447)	(96,151)
	<u>81,705</u>	<u>79,447</u>

**17. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Other loans	<u>6,563</u>	<u>8,438</u>

**18. Financial instruments**

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<u>627,805</u>	<u>613,897</u>

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

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

**19. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
Unrestricted general fund	257,691	25,774	762	-	-	284,227
The Charity Fund	43,487	13,114	(16,461)	-	-	40,140
	<u>301,178</u>	<u>38,888</u>	<u>(15,699)</u>	<u>-</u>	<u>-</u>	<u>324,367</u>
<b>Restricted general funds</b>						
GAG	180,852	1,090,304	(1,095,569)	(25,915)	-	149,672
UIFSM	-	111,595	(111,595)	-	-	-
Pupil premium	-	19,886	(15,737)	-	-	4,149
Catch-up premium	-	24,960	(17,122)	-	-	7,838
Other DfE/ESFA Covid-19 funding	-	420	(420)	-	-	-
Other grants	-	145,685	(132,304)	-	-	13,381
General	-	3,800	(3,800)	-	-	-
Pension reserve	(432,000)	-	(82,000)	-	(113,000)	(627,000)
	<u>(251,148)</u>	<u>1,396,650</u>	<u>(1,458,547)</u>	<u>(25,915)</u>	<u>(113,000)</u>	<u>(451,960)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	2,541,304	761,263	(76,478)	25,915	-	3,252,004
<b>Total Restricted funds</b>	<u>2,290,156</u>	<u>2,157,913</u>	<u>(1,535,025)</u>	<u>-</u>	<u>(113,000)</u>	<u>2,800,044</u>
<b>Total funds</b>	<u>2,591,334</u>	<u>2,196,801</u>	<u>(1,550,724)</u>	<u>-</u>	<u>(113,000)</u>	<u>3,124,411</u>

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

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

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

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**19. Statement of funds (continued)**

depreciation charges.

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

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

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

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

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Unrestricted funds</b>						
Unrestricted general fund	238,437	19,254	-	-	-	257,691
The Charity Fund	40,456	24,403	(21,372)	-	-	43,487
	<u>278,893</u>	<u>43,657</u>	<u>(21,372)</u>	<u>-</u>	<u>-</u>	<u>301,178</u>
<b>Restricted general funds</b>						
GAG	205,978	1,008,275	(1,025,126)	(8,275)	-	180,852
UIFSM	-	25,277	(25,277)	-	-	-
Pupil premium	-	171,854	(171,854)	-	-	-
Catch-up premium	-	14,570	(14,570)	-	-	-
Other DfE/ESFA Covid-19 funding	-	93,042	(93,042)	-	-	-
Pension reserve	(394,000)	-	(79,000)	-	41,000	(432,000)
	<u>(188,022)</u>	<u>1,313,018</u>	<u>(1,408,869)</u>	<u>(8,275)</u>	<u>41,000</u>	<u>(251,148)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	<u>2,576,488</u>	<u>13,281</u>	<u>(56,740)</u>	<u>8,275</u>	<u>-</u>	<u>2,541,304</u>

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**19. Statement of funds (continued)**

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Total Restricted funds</b>	2,388,466	1,326,299	(1,465,609)	-	41,000	2,290,156
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds</b>	2,667,359	1,369,956	(1,486,981)	-	41,000	2,591,334
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
General funds	301,178	38,888	(15,699)	-	-	324,367
Restricted funds	(251,148)	1,396,650	(1,458,547)	(25,915)	(113,000)	(451,960)
Restricted funds - Class II	2,541,304	761,263	(76,478)	25,915	-	3,252,004
	<u>2,591,334</u>	<u>2,196,801</u>	<u>(1,550,724)</u>	<u>-</u>	<u>(113,000)</u>	<u>3,124,411</u>

**Summary of funds - prior year**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
General funds	278,893	43,657	(21,372)	-	-	301,178
Restricted funds	(188,022)	1,313,018	(1,408,869)	(8,275)	41,000	(251,148)
Restricted funds - Class II	2,576,488	13,281	(56,740)	8,275	-	2,541,304
	<u>2,667,359</u>	<u>1,369,956</u>	<u>(1,486,981)</u>	<u>-</u>	<u>41,000</u>	<u>2,591,334</u>

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	3,233,702	3,233,702
Current assets	324,367	314,203	26,740	665,310
Creditors due within one year	-	(139,163)	(1,875)	(141,038)
Creditors due in more than one year	-	-	(6,563)	(6,563)
Provisions for liabilities and charges	-	(627,000)	-	(627,000)
<b>Total</b>	<u>324,367</u>	<u>(451,960)</u>	<u>3,252,004</u>	<u>3,124,411</u>

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**21. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	2,535,631	2,535,631
Current assets	301,178	340,443	15,986	657,607
Creditors due within one year	-	(159,591)	(1,875)	(161,466)
Creditors due in more than one year	-	-	(8,438)	(8,438)
Provisions for liabilities and charges	-	(432,000)	-	(432,000)
<b>Total</b>	<b>301,178</b>	<b>(251,148)</b>	<b>2,541,304</b>	<b>2,591,334</b>

**22. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2021 £</b>	<b>2020 £</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>646,077</b>	<b>(117,025)</b>
<b>Adjustments for:</b>		
Depreciation	<b>76,478</b>	<b>56,740</b>
Capital grants from DfE and other capital income	<b>(761,263)</b>	<b>(13,281)</b>
Interest receivable	<b>(14)</b>	<b>-</b>
Defined benefit pension scheme cost less contributions payable	<b>74,000</b>	<b>72,000</b>
Defined benefit pension scheme finance cost	<b>8,000</b>	<b>7,000</b>
Decrease in debtors	<b>6,205</b>	<b>5,449</b>
(Decrease)/increase in creditors	<b>(20,428)</b>	<b>3,019</b>
<b>Net cash provided by operating activities</b>	<b>29,055</b>	<b>13,902</b>

**23. Cash flows from financing activities**

	<b>2021 £</b>	<b>2020 £</b>
Repayments of borrowing	<b>(1,875)</b>	<b>(1,875)</b>
<b>Net cash used in financing activities</b>	<b>(1,875)</b>	<b>(1,875)</b>



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**24. Cash flows from investing activities**

	2021 £	2020 £
Dividends, interest and rents from investments	14	-
Purchase of tangible fixed assets	(774,549)	(12,475)
Capital grants from DfE Group	7,263	7,206
Capital funding received from sponsors and others	754,000	6,075
<b>Net cash (used in)/provided by investing activities</b>	<b>(13,272)</b>	<b>806</b>

**25. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	627,805	613,897
<b>Total cash and cash equivalents</b>	<b>627,805</b>	<b>613,897</b>

**26. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	613,897	13,908	627,805
Debt due within 1 year	(1,875)	-	(1,875)
Debt due after 1 year	(8,438)	1,875	(6,563)
	<b>603,584</b>	<b>15,783</b>	<b>619,367</b>

**27. Capital commitments**

	2021 £	2020 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	-	23,656

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**28. Pension commitments**

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

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

Contributions amounting to £19,650 were payable to the schemes at 31 August 2021 (2020 - £18,765) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £121,551 (2020 - £111,500).

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

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

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**28. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £83,000 (2020 - £76,000), of which employer's contributions totalled £66,000 (2020 - £60,000) and employees' contributions totalled £ 17,000 (2020 - £16,000). The agreed contribution rates for future years are 21.9 per cent for employers and between 5.5 and 6.5 per cent for employees.

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

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

The academy made additional payments totalling £3,500 (2019: £6,000) to the LGPS to further reduce the deficit during the year. No commitment has been made to make additional payments in the 2020/21 period.

**Principal actuarial assumptions**

West Sussex County Council Pension Fund

	<b>2021</b>	<b>2020</b>
	%	%
Rate of increase in salaries	<b>3.40</b>	2.70
Rate of increase for pensions in payment/inflation	<b>2.90</b>	2.20
Discount rate for scheme liabilities	<b>1.65</b>	1.70

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

	<b>2021</b>	<b>2020</b>
	Years	Years
<i>Retiring today</i>		
Males	<b>22.1</b>	22.2
Females	<b>24.4</b>	24.2
<i>Retiring in 20 years</i>		
Males	<b>23.1</b>	23.3
Females	<b>26.1</b>	25.9

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**28. Pension commitments (continued)**

**Sensitivity analysis**

West Sussex County Council Pension Fund

	2021 £000	2020 £000
Discount rate -0.1%	50	40
Mortality assumption - 1 year increase	86	-
CPI rate +0.1%	44	34
	<u>          </u>	<u>          </u>

**Share of scheme assets**

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

	2021 £	2020 £
Equities	792,000	660,000
Corporate bonds	548,000	415,000
Property	122,000	86,000
Cash and other liquid assets	61,000	61,000
<b>Total market value of assets</b>	<u><u>1,523,000</u></u>	<u><u>1,222,000</u></u>

The actual return on scheme assets was £208,000 (2020 - £73,000).

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

	2021 £	2020 £
Current service cost	(140,000)	(129,000)
Past service cost	-	(3,000)
Interest income	21,000	20,000
Interest cost	(29,000)	(27,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<u><u>(148,000)</u></u>	<u><u>(139,000)</u></u>

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**28. Pension commitments (continued)**

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

	2021 £	2020 £
<b>At 1 September</b>	<b>1,654,000</b>	<b>1,457,000</b>
Current service cost	140,000	129,000
Interest cost	29,000	27,000
Employee contributions	17,000	16,000
Actuarial losses	321,000	32,000
Benefits paid	(11,000)	(10,000)
Past service costs	-	3,000
<b>At 31 August</b>	<b>2,150,000</b>	<b>1,654,000</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>1,222,000</b>	<b>1,063,000</b>
Interest income	21,000	20,000
Actuarial gains	208,000	73,000
Employer contributions	66,000	60,000
Employee contributions	17,000	16,000
Benefits paid	(11,000)	(10,000)
<b>At 31 August</b>	<b>1,523,000</b>	<b>1,222,000</b>

**29. Members' liability**

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

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**30. Related party transactions**

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

Mr D Smith, a Member, has declared an interest in "The Little Teahouse (Southwater) Limited", a company in which he and his wife and daughter have an interest. The academy purchased supplies from this company to the value of £110 (2020: £435) in the period. There were no amounts outstanding at 31 August 2021 or 31 August 2020.

Mrs J Legg, a Trustee, has declared an interest in "Training Legs First Aid", a business of which she is the proprietor. The academy purchased staff training services from this business to the value of £900 in the period. There were no amounts outstanding at 31 August 2021.

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**31. Teaching school trading account**

	2021 £	2021 £	2020 £	2020 £
<b>Income</b>				
<b>Direct income</b>				
Teaching Schools Core grant	-		40,000	
<b>Other income</b>				
Course fees	-		30,158	
School Direct trainee placement income	-		14,000	
NQT service provision	-		5,999	
Other income	-		1,079	
	-		51,236	
<b>Total other income</b>	-		51,236	
<b>Total income</b>		-		91,236
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Direct staff costs	-		38,061	
Direct depreciation	-		3,571	
Other teaching school supplies and services	-		45,640	
Teaching school agency staff	-		7,530	
	-		94,802	
<b>Total direct expenditure</b>	-		94,802	
<b>Total expenditure</b>		-		94,802
<b>Surplus/(deficit) from all sources</b>		-		(3,566)
<b>Teaching school balances at 1 September 2020</b>		(3,566)		-
<b>Teaching school balances at 31 August 2021</b>		(3,566)		(3,566)

