

Company Registration Number: 07992852 (England & Wales)

HERTSWOOD ACADEMY
(A company limited by guarantee)

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



HERTSWOOD ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Subscriber to the Memorandum: W W Miller Subscriber to the Memorandum: G C Taylor Chair of Governors: M W Doe Vice Chair of Governors: F H G Blackwood
Governors	F H G Blackwood ⁴ J L W Cox (resigned 12 April 2021) ^{3,5} M W Doe, Chair of Governors ^{3,5} J Gavzey ^{5,6} P Gillett, Headteacher ⁵ A M Harrison ³ R A Kirk ^{3,5} E Longworth (reappointed 11 December 2020) ¹ J D Smith (resigned 22 June 2021) ¹ C Wainwright ² V M Hodge (appointed 10 December 2020) ² P Kan (appointed 10 December 2020) ¹ M Stark (appointed 10 December 2020) ¹ M Redbart (appointed 11 May 2021) ³ P Bassill (appointed 30 June 2021) ⁴
	¹ Parent Governor ² Staff Governor ³ Co-opted ⁴ Appointed by members ⁵ Member of the Resources Committee ⁶ Local Authority Governor

Company registered number 07992852

Company name Hertswood Academy

Principal and registered office Cowley Hill
Borehamwood
Hertfordshire
WD6 5LG

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

Senior Leadership Team

Peter Gillett, Headteacher
Tora Hodge, Deputy Headteacher
James Wood, Deputy Headteacher
Terri Clifford, Deputy Headteacher
Shelagh Musk, Academy Business Manager
Wanda Gill, Assistant Headteacher
Laura Edgar, Assistant Headteacher
Carey McFerran, Assistant Headteacher
Debbie White, Assistant Headteacher
Paul Marlow, Assistant Headteacher
Iain Sands, Assistant Headteacher
Angie Carr, Assistant Headteacher

Independent auditor

Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Bankers

Lloyds Bank Plc
32 and 32a Intu Shopping Centre
Watford
Hertfordshire
WD17 2DU

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors 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 Governors' report and a directors' report under company law.

Hertswood Academy ("the Trust") operates an Academy for students ages 11 to 19 serving Borehamwood and surrounding areas. It has a capacity of 1,400 and had a roll of 1,234 in the School Census taken in October 2020.

The Academy Trust has, as its principal activity, advancing education through the provision of a non-selective secondary school in Borehamwood which provides a broad and balanced curriculum. Students moved in to a new building on 1 September 2019.

The Academy Trust also provides, within the school, recreation and leisure facilities for the community of Borehamwood. Theatre and sports facilities are also provided for the benefit of the local community. These facilities have been updated and improved now the Academy has taken possession of the new state-of-the-art building.

Structure, governance and management

a. Constitution

The Academy is a charitable 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 Governors of Hertswood Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Hertswood Academy.

Details of the Governors who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

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

Structure, governance and management (continued)

c. Method of recruitment and appointment or election of Governors

According to the Trust's Articles of Association, the members of the Academy Trust comprise:

- Subscribers to the Memorandum (D Meller resigned as a member in 2018. Therefore, only G Taylor and W Meller are still members under this category)
- The Meller Educational Trust (not in effect, due to the Meller Educational Trust resigning on 24 January 2020)
- The Sponsor (not in effect, due to the Sponsor resigning this role in 2018)
- Up to 1 person appointed by the Sponsor (not in effect; sponsor ceded this power in 2018)
- The Chair and Vice Chair of Governors
- Up to 2 additional persons appointed unanimously by the Members
- 1 person appointed by the Secretary of State if required

Governors of the Academy comprise:

- Up to 2 persons appointed by Members
- Up to 3 Staff Governors
- 1 Local Authority Governor
- Up to 5 Parent Governors
- The Headteacher
- Up to 4 co-opted Governors
- Governors appointed by the Secretary of State if required

The Trust follows the requirements of paragraphs 50-64 of its Articles in appointing Governors. The approach here is to ensure there is a balanced participation from local stakeholders in the Academy and elections are used to appoint Staff and Parent Governors

The skills of serving Governors are taken into account when considering new appointments to the Board. For example, Joy Cox stepped down as a governor during the year, having contributed greatly to the work of the Resources Committee during her period in office. To ensure continued expertise on the committee Josh Gavzey was appointed as a Local Authority Governor on 3 March 2020 and Phil Bassill was appointed on 30 June 2021. Josh Gavzey's financial qualifications and background were felt to be an asset to the Governing Body, particularly in relation to the Resources Committee. Prior to his appointment as a Governor, he served as a non-voting Associate Governor on the Resources Committee (appointed at the end of financial year 2017/18) and the Pay Committee (appointed in the 2018/19 financial year). Phil Bassill had previously advised the school in his role as Financial Director of the Meller Educational Trust, and it was felt that his insight and expertise would also be of great benefit to the Governing Body.

d. Policies adopted for the induction and training of Governors

Upon appointment, new governors are provided with a pack of documents which gives them basic information about their role. The Academy Trust subscribes to the governor training service provided by Herts for Learning. Please see the "Connected Organisations" for further information about the relationship with Herts for Learning. New governors will be booked onto the Herts for Learning governor induction course. Training courses on a wide variety of governance-related topics are available to governors during the academic year, increasingly online. Governors are also able to attend forums organised by the Hertfordshire Association of School Governors, as well as the Hertfordshire School Governors' Annual Conference.

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

Structure, governance and management (continued)

e. Organisational structure

The Academy Trust was officially sponsored by David Meller at its inception, but that is no longer the case. Hertswood Academy is now a single Academy trust without a sponsor.

On 2 February 2018 David Meller resigned as a member on that date and pledged in writing not to use his powers as a Sponsor under the Articles.

During the financial year, Hertswood Academy ended its relationship with the Meller Educational Trust charity. Please see under "related parties" below, for more information about the relationship with the Meller Educational Trust. As a result, the Meller Educational Trust is no longer a member of Hertswood Academy Trust, and Hertswood Academy Trust no longer has a service level agreement with the Meller Educational Trust.

The membership structure of the Academy Trust is set out in the Articles of Association. Members have an Annual General Meeting, but can also hold other meetings in accordance with the provisions of the Articles.

As set out in the Articles of Association, the Governors are the Directors of the Trust and responsible for its business. There are at least four full governing body meetings each year. The Governors have established two standing committees that each meet six times a year. These are the Standards Committee and the Resources Committee. The Resources Committee deals with finance, audit, human resources, premises and governance issues. There are also other committees which meet as required, dealing with such matters as audit, staff pay and the performance and review of the Headteacher. The Clerk to the Governors manages the business meetings in line with an established work programme and ensures that agenda and reports for meetings are circulated beforehand and proper minutes kept.

The Governors have put in place statutory and discretionary policies to manage the way the Academy operates. Of special note is the Scheme of Financial Delegation, which sets out the relevant authority levels and procedures for making different types of decisions. This ensures that the Headteacher has all the necessary authority to run the Academy on a daily basis and that key strategic issues are determined by Governors.

The Headteacher acts as Chief Accounting Officer.

f. Arrangements for setting pay and remuneration of key management personnel

The Governors consider the Senior Leadership team to be the key management personnel of the Academy as they have responsibility for directing and controlling, running and operating the Trust on a day to day basis. Details of the Senior Leadership Team who served during the period are included in the Reference and Administrative details on page 2.

The pay of the senior staff is reviewed as part of the annual performance management procedure. If staff have the scope to increment on the pay scale, this will be reviewed and agreed by the Headteacher and the governors' Pay Committee. Grading of key management personnel is benchmarked to similar-sized academies. The Pay Committee will also consider the Headteacher's pay and remuneration, taking into account the outcome of a performance review conducted by the governors' Headteacher Performance Review Committee.

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

Structure, governance and management (continued)

g. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	-
Total pay bill	6,050,403
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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Objectives and activities

a. Objects and aims

The objects of the trust are to:

- Advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing, and develop an academy offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of Borehamwood and the surrounding area, the provision of facilities for recreation and other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of the life of the said inhabitants.

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GOVERNORS' REPORT (CONTINUED)
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Objectives and activities (continued)

b. Objectives, strategies and activities

World-Class Ambitions: Our ambition is to provide a world class educational environment for our community. We have the highest aspirations for all students and will ensure they achieve the best possible outcomes through outstanding teaching, an engaging curriculum and quality care and support.

Ready to Succeed: Our students will develop resilience, will be literate and numerate and be ready for challenges they will face in modern society. We have a clear expectation for our students to work hard, behave well and act with integrity so that they grow as confident individuals, responsible citizens and successful independent learners. Well-equipped for higher education and employment, our students will develop leadership skills and be ambitious for their future learning opportunities and career goals.

Accomplish Through Effort: As a fully inclusive academy within our community, we are committed to the principle of 'growth mindset' in that, no matter where one starts from, great accomplishments are possible through dedication and effort. We believe that all barriers can be overcome through our determination to succeed and the learning strategies we employ.

Achievement For All: We respect and value all members of our community, ensuring a safe, happy and secure learning environment to foster high self-esteem for all. As lifelong learners, Hertswood Academy staff are role models for our students, continually developing their own practice and inspiring the community to aim high and achieve excellence.

The key objectives for academic year 2021-22 are to:

- To raise achievement – showing sustainability post CAGs and TAGs.
- To sustain improvements in pupil behaviour and attitudes and continue to pursue improvement.
- To ensure readiness for OFSTED
- To create coherent and cohesive staff culture evidenced by strong leadership throughout the school

c. Public benefit

Governors have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

The governors are aware that they must only operate the charity for the public benefit, to further its objects, and only for charitable purposes. The governors are committed to the school's policy of serving a diverse catchment area and not restricting intake based on ability. The school's catchment area includes Cowley Hill ward, which ranks among the top 10 percent most deprived areas in the country and highest in Hertfordshire, according to "Indices of Multiple Deprivation" data for 2019 (Borehamwood Times, 28 November 2019).

The following examples demonstrate how governors have kept the public benefit in mind in initiatives that they have taken or supported in this financial year:

- Continuing the provision of Chromebooks to an increasing number of students, to assist them in their studies. This will particularly help students in disadvantaged circumstances.
- Continuing targeted support for those in financial difficulty, such as in the area of school uniform provision.
- Trying to ensure access for hirers to as many facilities as possible. Even though the school theatre still awaits some equipment, it has been made available for community hire on a limited basis. Once it is fully equipped, then it will become fully operational as a community theatre outside of school hours. Governors are mindful of the need to make hiring charges affordable for community organisations.

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

Objectives and activities (continued)

Strategic report

Achievements and performance

a. Key performance indicators

We have been able to maintain the improvements on 2019 examinations at GCSE in the vast majority of subjects including the Core of English, Mathematics and Science:

Subject	2021	2019
English Language 210		41% (2019)
Maths 210		44% (401%)
Double Science 173		31% (125%)

We have also been able to maintain the improvements on 2019 examinations in the Sixth Form:

Year	Expected	Result
2021	30.26	31.92
	C	C+
2020	30.14	37.87
	C	B-
2019	32.38	30.34
	C+	C
2018	32.52	25.74
	C+	C-
2017	33.11	32.54
	C+	C+

OFSTED also noted in their visit in Feb 2021 during lockdown that we were succeeding in our efforts to deliver the online curriculum across all year groups and to key groups such as students with special educational needs:

b. Going concern

Unrestricted reserves at the end of 2019/20 were £56k. The past two years have been exceptionally challenging with the additional costs of moving in to the new building and costs for making the building secure against Covid-19. Despite these challenges the Academy has monitored costs and negotiated savings wherever possible and has seen an increase in unrestricted reserves for the year 2020/21 to £141k.

Our financial forecasts for the next few years predict a rise in student numbers, which will bring additional funding to the Academy. The Local Authority have indicated that student applications will rise due to the increase in student numbers in local primary schools. Our impressive new building will broaden the appeal of the Academy. We therefore expect to attract student to Year 7 and increase external applicants to Sixth Form. Governors intend the new building to increase income via lettings. The sports centre, theatre, astroturf and classroom spaces are available for the local community to let.

Considering all of the above, the Academy has put together a detailed budget and cash flow for the next 12 months and a summarised forecast for the following 2 years. The aim for the next couple of years is to continue to grow reserves, we are confident that we can achieve this.

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

Strategic report (continued)

Achievements and performance (continued)

Financial review

a. Reserves policy

The Academy Trust is aware that it must have sufficient funds available to meet its liabilities. Governors have approved a balanced budget for 2021-22 and unrestricted reserves have increased by £119k (before a transfer to restricted funds of £33k).

Despite the financial challenges of the past few years, we have been able to manage the finances of the Academy and although we still anticipate additional demands on the budget for 2021/22 as the pandemic continues we are confident that we can continue to build reserves.

The Resources Committee receives budget monitoring reports predicting funds available and reviews the spending to ensure it is effectively used. In doing so, the governors have regard to the Education Funding Agency's guidelines on the level of reserves.

b. Investment policy

With the permission of the Secretary of State for Education, the Trust has used money obtained from the sale of its Upper Site for the rebuilding of the school on the lower site. The Trust's chief assets, held on behalf of the Secretary of State, are the remaining land and the new buildings. The Trust does not operate an investment portfolio.

c. Principal risks and uncertainties

During the year 2021/22 the Academy will continue to monitor cash flow very carefully.

Risks associated with the new building project are being managed in association with our main contractor, Willmott Dixon, and our facilities management contractor, Bouygues.

Funding for a community theatre ceased as of 31st May 2016. The new theatre needs to be self-financing and a scale of charges for community users has been introduced to ensure that the Academy is not subsidising external users. A new Management Agreement for the new theatre and sports facilities has been written in conjunction with Hertsmere Borough Council as part of the Section 106 Agreement for the new build.

Elstree Screen Arts Academy and any proposed free schools will increasingly offer local students greater choice as to where to study. While it is unclear to what extent they may impact Hertswood in the long term, increased local housing development may well mean these providers bring extra capacity to meet increased demand, rather than necessarily impacting on Hertswood's student numbers.

As with all schools, student numbers and hence school finances can be influenced by Ofsted inspection reports. We are working hard to address the issues which Ofsted identified, and look forward to them upgrading their rating on the school's next formal inspection.

In the event of adverse Ofsted rating, the school would almost certainly be rebrokered into a multi-academy trust. Under such a scenario, the Hertswood Academy Trust would transfer its assets to the multi-academy trust and be wound up. Governors believe that the school needs to achieve the best possible educational outcomes it can, for the benefit of students. Working towards this goal will naturally help achieve a better Ofsted grading, and also

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

ensure that a forced rebrokerage becomes unnecessary.

Covid-19 continues to provide instability at national and local level, in terms of funding, guidelines, and increased pressures on schools. Despite this, the school has managed its cashflow and overall budget, to end the year with a balanced budget and a positive balance. Nonetheless, governors and senior staff are very aware of the need to keep a close eye on the school's finances during the 2021-2022 financial year.

Fundraising

The Academy raises additional funds by letting out its premises. These lettings are administered by the Business Manager. Local football clubs utilise the astroturf after school and during holidays. A local theatre company run workshops for students from one of our classrooms. We have a regular letting in the hall providing trampolining and gymnastics lessons for local children. A branch of a Christian church group meets weekly in one of our classrooms. During the Academic Year 2019/20 the Academy started the process of implementing lettings software. The purpose of the software was to increase bookings by making the process easier for customers to book online and complete all necessary paperwork and payments via a website. The website also enabled marketing of the Academy, which we had hoped would widen our customer base. Unfortunately, the implementation was thwarted by the impact of Covid-19. We are still working towards using the system.

The Academy has developed links with local filming agencies and has been able to provide facilities for productions generating another income stream.

The Academy, in line with our Charging and Remissions Policy, will occasionally request voluntary contributions towards the cost of educational activities or resources.

The Academy has signed up to [easyfundraising.co.uk](https://www.easyfundraising.co.uk). This is a website that generates income from online purchases made by those who sign up to support the Academy.

The Academy does not have a Parent Teacher Association, but we are interested in the possibility of setting one up at an appropriate time.

The fundraising activities undertaken by the Academy did not have to comply with any voluntary scheme for regulating fundraising, during the reporting period.

The Academy has received no complaints about activities for the purpose of fundraising.

The Academy has not directly contacted anybody in regard to fundraising and therefore has not exhibited any behavior that could be perceived as invading privacy, being unreasonable, persistent or placing undue pressure to make contributions to fundraising activities.

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

Plans for future periods

Our 3 Year Strategic Plan is set out in the table below:

Success Criteria	Actions
SP1.OFSTED : Section 5 good or better for overall effectiveness	<ul style="list-style-type: none"> • Implement AIP & SIP • Termly review SIP and action improvements • Regular external review to ratify improvement actions
SP2. Good Financial Health : Positive cash flow and 100k+ reserves	<ul style="list-style-type: none"> • Increase overall student numbers • Optimise staffing and curriculum • Maximise income from community use of facilities
SP3. Buildings : Complete internal and external works	<ul style="list-style-type: none"> • Internal works : finalise defects list • External works : prioritise and cost further works • Investigate and secure external funding sources
SP4. Staff Recruitment, Training and Development : Fully staffed with relevant training and outstanding teaching	<ul style="list-style-type: none"> • Fully staff teaching and support areas • Ensure 95%+ Faculty specialist teaching • All statutory training up to date • Shared & consistent framework for outstanding teaching & learning
SP5. Trust Governance : Building future proof governance	<ul style="list-style-type: none"> • Appoint new Governors with relevant experience • Ensure Governors have appropriate training • Investigate future MAT possibilities • Devise standard reporting for key areas to enable effective communication between Senior Leaders and Governors
SP6. Personalising the curriculum to meet the needs of the community	<ul style="list-style-type: none"> • Programme to enter higher education • Programme for vocational qualifications and training
SP7. Engaging students to establish a culture of aspiration	<ul style="list-style-type: none"> • Student aspiration, expectation, accomplishment and achievement targets set • Optimise careers education through PDP and audit student voice on employment ambitions • All subject areas promote relevant careers
SP8. Developing outstanding leadership at all levels	<ul style="list-style-type: none"> • Effective and high quality leadership at all levels • Vision is communicated clearly by all stakeholders and reinforced continuously to ensure consistency of purpose and implementation
SP9. Developing communication with governors	<ul style="list-style-type: none"> • Timely and accurate sharing of self-evaluation data • Robust evaluative conversations between governors and senior leaders leading to school improvement

Funds held as custodian on behalf of others

The Trust held no funds during the period as custodians.

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

Disclosure of information to auditor

Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Governors 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 Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 9 December 2021 and signed on its behalf by:

Martin Doe

.....
M W Doe
Chair of Governors

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GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Hertswood 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Governors has delegated the day-to-day responsibility to the Headteacher, 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 Hertswood Academy and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 8 times during the year.

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

Governor	Meetings attended	Out of a possible
M W Doe, Chair of Governors	8	8
F H G Blackwood	7	8
J L W Cox	3	4
P Gillett, Headteacher	8	8
J D Smith	5	7
R A Kirk	7	8
A M Harrison	7	8
E Longworth	3	5
C Wainwright	5	8
J Gavzey	5	8
M Redbart	3	3
P Kan	6	6
P Bassill	3	3
V M Hodge	6	6
M Stark	6	6

There were 3 extra Governing Body meetings throughout the period of lockdown to deal with Covid-19 matters, with attendees participating socially distanced in person or via online access as appropriate, and in keeping with any restrictions in force at the time. Those meetings were held during the day. As a consequence of some governors working in schools, they were not able to attend as they were looking after vulnerable and key worker students.

The board is aware that auditors highlighted that members and Governors should differ to a greater degree in terms of people who are filling those roles. The board agreed with this and is still committed to this goal. However, this has been delayed for the following reasons:

- The matter was not dealt with during the 2018/19 academic year, because the Regional Schools Commissioner planned to rebroker the school into a multi-academy trust. It was not considered a good use of public money to amend the Articles of Association if this were to be the case. In the event, however, the

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

school improved its Ofsted grading and the planned rebrokerage was halted.

- Immediate priorities of the school in the autumn 2019 were to settle students and staff into the new building, and to ensure the remaining issues with the school land were dealt with, relating to the building project. Despite this a Governance Working Party met in October 2019, to begin discussion of this and other issues relating to the Articles of Association.

During the 2020-2021 academic year, some steps were taken to increase the number of members who were not Governors. Unfortunately, these were not successful as one candidate withdrew their interest, and there was not unanimity among members about approving the appointment of another proposed member. Governors will renew efforts during the 2021-2022 academic year to find new members.

- The Articles of Association need to be reviewed, particularly as they relate to members, and governors intend to take advice on this during the 2021-2022 academic year, in the event that joining a multi-academy trust is deemed unlikely in the near future.

The Resources Committee is a committee of the main board of Governors. Its purpose is to take a strategic view on financial, premises and personnel matters and review and monitor performance in these areas. Other committees include the Audit and Risk Committee (being introduced in the 2021-2022 academic year), Standards Committee, Pay Committee, and the Headteacher's Performance Review Committee.

Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
M W Doe	7	8
J Cox	5	5
P Gillett	8	8
R A Kirk	6	8
J Gavzey	8	8
P Bassill	1	1
M Redbart	2	2
M Stark	5	5

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GOVERNANCE STATEMENT (CONTINUED)

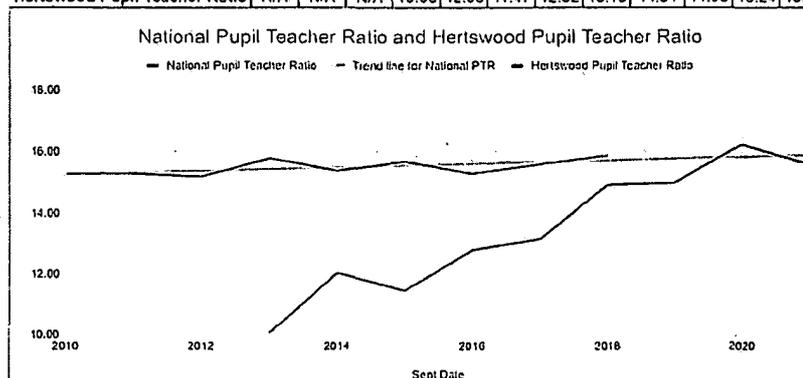
Review of value for money

As accounting officer, the Headteacher 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 Governors 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 in the following ways:

- The curriculum and teaching and learning model is optimised to ensure that the Quality of Education continues to improve and reserves continue to grow.
- Pupil Teacher Ratios are now in line with the National Averages

Sept Date	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
National Pupil Teacher Ratio	15.30	15.30	15.20	15.80	15.40	15.70	15.30	15.60	15.90	N/A	N/A	N/A
Hertswood Pupil Teacher Ratio	N/A	N/A	N/A	10.06	12.06	11.47	12.82	13.18	14.94	14.99	16.24	15.61



- Results for our GCSE and Sixth Form students maintained the improvement shown since 2019.
- We have developed a relationship with production companies filming in the area to provide facilities which have provided additional income to the Academy.
- The Academy negotiated new energy contracts on fixed 5 term rates prior to the energy crisis. These contracts were slightly cheaper than the existing contracts, but importantly have ensured that we can predict our costs reasonably accurately for the forthcoming years.
- We tendered for a new HR and Payroll provider during the year. This enabled us to save circa £6kpa but also move forward with a company that we feel will support and work with the Academy.
- Several smaller contracts were also renegotiated. The water supplier, Internal Audit, the franking machine lease, student planners and a revised price for our messaging system. We anticipate a saving in the region of £10k.

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hertswood Academy for the year 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 Governors has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 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 Governors. At the start of the 2021-2022 academic year, the Governors have created an Audit and Risk Committee, to give greater focus to the whole issue of risk.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Governors
- Regular reviews by the Resources Committee of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and has decided to appoint Herts for Learning as internal auditor.

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

- Covid-19 Income and Expenditure
- Budget Setting
- Purchase to Pay

On a semi-annual basis, the reviewer reports to the board of Governors through the Resources Committee on the operation of the systems of control and on the discharge of the Governors' financial responsibilities.

As a result of these checks the following actions were recommended:

Covid Catch Up

- Action-The Strategy had not been published on the website
- Response-This was rectified as soon as it was identified

Budget Setting

HERTSWOOD ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- Action-Timetable incorporated in to budget procedure note
- Response-To be updated and circulated to Resources Committee
- Action-Review inflation assumption in software
- Response-ASCL inflationary assumptions had been used for budget setting process
- Action-Ensure Capital Is reported monthly
- Response-Line added to monthly report
- Action-Incorporate costings of School Improvement Plan objectives
- Response-All objectives have been costed, but we will ensure a costing is included in the budget presented to Governors
- Action-The Academy regularly update the 3 Year budget-ensure this is being distributed to Governors
- Response-Standing termly agenda item set up

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources 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 Governors and signed on their behalf by:



.....
M W Doe
Chair of Governors



.....
P Gillett, Headteacher
Accounting Officer

Date: 9 December 2021

HERTSWOOD ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hertswood Academy I have considered my responsibility to notify the Academy board of Governors 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 Governors 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 Governors and ESFA.



.....
P Gillett, Headteacher
Accounting Officer
Date: 9 December 2021

HERTSWOOD ACADEMY
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial . Under company law, the Governors 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 Governors 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 judgements 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 Governors 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 Governors 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 Governors 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 Governors and signed on its behalf by:



.....
M W Doe
Chair of Governors
Date: 9 December 2021

HERTSWOOD ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HERTSWOOD ACADEMY**

Opinion

We have audited the financial statements of Hertswood 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 Auditor's 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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors 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 Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' 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 Governors' 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors 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 Governors 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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- the control environment and performance of the Academy, including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We considered the results of our enquiries of management and internal audit about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021 and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Bottom ACA (Senior statutory auditor)

for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

15 December 2021

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 8 November 2018 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 Hertswood 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 Hertswood Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hertswood 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 Hertswood Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hertswood Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hertswood Academy's funding agreement with the Secretary of State for Education dated 28 August 2018 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 work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities.
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence.
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime.
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

HERTSWOOD ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
HERTSWOOD 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.



Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Herts.
WD17 1HP

Date: 7 December 2021



HERTSWOOD 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 £
Income from:						
Donations and capital grants	4	236	-	78,406	78,642	26,721
Charitable activities		204,229	7,928,788	-	8,133,017	7,987,046
Other trading activities		67,309	-	-	67,309	61,551
Investments	7	81	-	-	81	287
Other income	8	-	-	-	-	69
Total Income		271,855	7,928,788	78,406	8,279,049	8,075,674
Expenditure on:						
Charitable activities		152,971	7,990,366	766,393	8,909,730	8,882,742
Total expenditure		152,971	7,990,366	766,393	8,909,730	8,882,742
Net income/(expenditure)		118,884	(61,578)	(687,987)	(630,681)	(807,068)
Transfers between funds	20	(33,013)	-	33,013	-	-
Net movement in funds before other recognised gains/(losses)		85,871	(61,578)	(654,974)	(630,681)	(807,068)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(840,000)	-	(840,000)	49,000
Net movement in funds		85,871	(901,578)	(654,974)	(1,470,681)	(758,068)
Reconciliation of funds:						
Total funds brought forward		55,623	(2,554,227)	39,224,891	36,726,287	37,484,355
Net movement in funds		85,871	(901,578)	(654,974)	(1,470,681)	(758,068)
Total funds carried forward		141,494	(3,455,805)	38,569,917	35,255,606	36,726,287

HERTSWOOD ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07992852

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	15	374	873
Tangible assets	16	38,544,137	39,224,018
Investments	17	25	25
		<u>38,544,536</u>	<u>39,224,916</u>
Current assets			
Debtors	18	266,270	207,991
Cash at bank and in hand		880,020	447,543
		<u>1,146,290</u>	<u>655,534</u>
Creditors: amounts falling due within one year	19	(802,220)	(560,163)
Net current assets		<u>344,070</u>	<u>95,371</u>
Total assets less current liabilities		<u>38,888,606</u>	<u>39,320,287</u>
Net assets excluding pension liability		<u>38,888,606</u>	<u>39,320,287</u>
Defined benefit pension scheme liability	27	(3,633,000)	(2,594,000)
Total net assets		<u><u>35,255,606</u></u>	<u><u>36,726,287</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	38,569,917	39,224,891
Restricted income funds	20	177,195	39,773
Restricted funds excluding pension asset	20	38,747,112	39,264,664
Pension reserve	20	(3,633,000)	(2,594,000)
Total restricted funds	20	<u>35,114,112</u>	<u>36,670,664</u>
Unrestricted income funds	20	<u>141,494</u>	<u>55,623</u>
Total funds		<u><u>35,255,606</u></u>	<u><u>36,726,287</u></u>

HERTSWOOD ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07992852

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 26 to 58 were approved and authorised for issue by the Governors and are signed on their behalf, by:



.....
M W Doe
Chair of Governors
Date: 9 December 2021



.....
P Gillett
Headteacher

The notes on pages 30 to 58 form part of these financial statements.

HERTSWOOD ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	493,003	(91,803)
Cash flows from investing activities	23	(60,526)	(469,903)
Change in cash and cash equivalents in the year		432,477	(561,706)
Cash and cash equivalents at the beginning of the year		447,543	1,009,249
Cash and cash equivalents at the end of the year	24, 25	<u><u>880,020</u></u>	<u><u>447,543</u></u>

The notes on pages 30 to 58 form part of these financial statements

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

1. General information

Hertswood Academy is a charitable company limited by guarantee and an exempt charity. The Academy is incorporated in England and Wales. Its registered office is Cowley Hill, Borehamwood, Hertfordshire WD6 5LG.

2. Accounting policies

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

2.1 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.

2.2 Going concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Unrestricted reserves at the end of 2019/20 were £56k. The past two years have been exceptionally challenging with the additional costs of moving into the new building and costs for making the building secure against Covid-19. Despite these challenges the Academy has monitored costs and negotiated savings wherever possible and has seen an increase in unrestricted reserves for the year 2020/21 to £141k.

The Academy plans to continue to raise reserves in 2021/22. Cash Flow and budgets are monitored monthly to ensure that all commitments can be met and any unexpected costs can be mitigated.

The Academy procured for new energy contracts this year and was able to secure 5 year fixed deals at cheaper prices than the previous contracts so we have peace of mind that whilst other schools are facing challenging costs we can have certainty regarding our forecast costs.

Indications from the local primary schools indicate we can expect higher student numbers coming through. The appeal of the new building makes Hertswood an attractive option for many parents.

The Academy have developed links with film production companies this year and have been able to accommodate use of the facilities which has been a welcome new income stream.

Value for money is a high priority for the Academy when we review contracts and procure resources. We have managed to save money by changing our HR and Payroll provider, water supplier, the internal audit team, our franking machine lease, how we use student planners and our messaging system to parents.

Considering all of the above, the Academy has put together a detailed budget and cash flow for the

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.2 Going concern (continued)

next 12 months and a summarised forecast for the following 2 years. The aim for the next couple of years is to continue to grow reserves, we are confident that we can achieve this.

On the basis of the above the Governors have concluded that the Academy has adequate resources to continue operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **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.

2.4 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.

HERTSWOOD ACADEMY
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

• **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.

2.5 Government grants

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

2.6 Interest receivable

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

2.7 Intangible assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 20 % straight line
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2.8 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.

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

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

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, less their residual value, over their expected useful life, as follows:

Freehold property	- 2% straight line
LT Leasehold property	- over the length of the lease
Fixtures & equipment	- 10% straight line
Motor vehicles	- 25% reducing balance
Computer equipment	- 33% reducing balance

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

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

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.10 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.

2.11 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.

2.12 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.

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

2. Accounting policies (continued)

2.13 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 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.14 Operating leases

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

2.15 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.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.16 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of the financial activities. The funds received and paid and any balances held are disclosed in note 31.

2.17 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 Governors.

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.

3. Critical accounting estimates and areas of judgement

Estimates and judgements 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

Valuation of tangible fixed assets

Governors have considered the value of tangible fixed assets. Changes in the circumstances or expectations of future performance of an individual asset may be an indicator that the asset is impaired, which would require the book value to be written down to its recoverable amount. Impairments are reversed if conditions for impairment are no longer present. Due to their nature, evaluating whether an

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

3. Critical accounting estimates and areas of judgement (continued)

asset is impaired requires a significant degree of judgment and may to a large extent depend on the assumptions made in its evaluation. The Governors have concluded that the valuation of the tangible fixed assets as at the year end are appropriate.

Depreciation and residual values

The Governors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

4. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	236	53,000	53,236	727
Government capital grants	-	25,406	25,406	25,994
Total 2021	236	78,406	78,642	26,721
<i>Total 2020</i>	<i>727</i>	<i>25,994</i>	<i>26,721</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Funding for the Academy's educational activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,813,322	6,813,322	6,707,775
Other DfE/ESFA grants				
Pupil Premium	-	338,449	338,449	329,182
Rates Relief	-	50,688	50,688	49,440
Other DfE income	-	278,818	278,818	306,474
Other ESFA income	-	113,334	113,334	126,658
	-	7,594,611	7,594,611	7,519,529
Other Government grants				
SEN	-	47,231	47,231	13,465
Other government	-	149,870	149,870	149,845
	-	197,101	197,101	163,310
Other income from the Academy's educational activities	204,229	1,645	205,874	304,207
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	87,120	87,120	-
Mass Testing	-	32,350	32,350	-
Summer School	-	15,961	15,961	-
	-	135,431	135,431	-
Total 2021	204,229	7,928,788	8,133,017	7,987,046
<i>Total 2020</i>	<i>293,261</i>	<i>7,693,785</i>	<i>7,987,046</i>	

Following the publication of the Academies Accounts Direction 2020/21, some grants received from the DfE, ESFA and Local Authority have been reclassified in the current and prior period.

The Academy received £87,120 of funding for catch-up premium and costs incurred in respect of this funding totalled £56,093, with the remaining £31,027 to be spent in 2021/22.

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	65,319	65,319	61,523
Other generated income	1,990	1,990	28
	<u>67,309</u>	<u>67,309</u>	<u>61,551</u>
<i>Total 2020</i>	<u>61,551</u>	<u>61,551</u>	

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest received	81	81	287
	<u>287</u>	<u>287</u>	
<i>Total 2020</i>	<u>287</u>	<u>287</u>	

8. Other incoming resources

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Profit on disposal of land and buildings	-	-	69
	<u>69</u>	<u>69</u>	
<i>Total 2020</i>	<u>69</u>	<u>69</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational Activities:					
Direct costs	5,459,068	-	528,570	5,987,638	5,963,425
Allocated support costs	591,335	1,545,614	785,143	2,922,092	2,919,317
	<u>6,050,403</u>	<u>1,545,614</u>	<u>1,313,713</u>	<u>8,909,730</u>	<u>8,882,742</u>
Total 2020	<u>6,130,659</u>	<u>1,407,893</u>	<u>1,344,190</u>	<u>8,882,742</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Activities	5,987,638	2,922,092	8,909,730	8,882,742
Total 2020	<u>5,963,425</u>	<u>2,919,317</u>	<u>8,882,742</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	5,459,068	5,413,844
Depreciation & amortisation (IT equipment)	41,202	20,150
Educational Supplies	223,427	251,938
Examination fees	139,509	110,150
Travel and Subsistence	575	32,175
Other costs	123,857	135,168
	<u>5,987,638</u>	<u>5,963,425</u>

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	45,000	45,000
Staff costs	591,335	716,815
Depreciation (property & equipment)	725,191	733,292
Technology Costs	305,755	207,353
Maintenance of premises	834,823	666,045
Security	10,799	4,967
Other costs	384,637	527,664
Governance costs	24,552	18,181
	<u>2,922,092</u>	<u>2,919,317</u>

Depreciation/amortisation charged on computer hardware and software previously reported under Indirect Costs have been re-classified to Direct Costs, as directly attributable to the Academy's provision of its educational activity and curriculum.

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	227,876	213,178
Depreciation of tangible fixed assets	765,894	744,417
Amortisation of intangible assets	499	499
Loss on disposal of fixed assets	-	8,526
Fees paid to auditor for:		
- audit	8,575	8,325
- other services	5,350	5,988
	<u>8,575</u>	<u>8,325</u>
	<u>5,350</u>	<u>5,988</u>

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	4,427,018	4,460,898
Social security costs	468,140	462,548
Pension costs	1,133,498	1,171,706
	<u>6,028,656</u>	<u>6,095,152</u>
Agency staff costs	21,747	-
Staff restructuring costs	-	35,507
	<u>21,747</u>	<u>35,507</u>
	<u>6,050,403</u>	<u>6,130,659</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	-	35,507
	<u>-</u>	<u>35,507</u>

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FOR THE YEAR ENDED 31 AUGUST 2021

12. Staff (continued)

b. Staff numbers

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

	2021	2020
	No.	No.
Teaching	74	71
Administration & support	38	45
Management	12	12
	<u>124</u>	<u>128</u>

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	8	8
In the band £70,001 - £80,000	2	2
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,189,634 (2020 - £1,239,095).

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Governors 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 Governors' remuneration and other benefits was as follows:

		2021	2020
		£	£
P Gillett, Headteacher	Remuneration	130,000 -	120,000 -
		135,000	125,000
	Pension contributions paid	30,000 -	25,000 -
		35,000	30,000
V M Hodge (appointed 10 December 2020)	Remuneration	55,000 -	Nil
		60,000	
	Pension contributions paid	15,000 -	Nil
		20,000	
T Caruso (resigned 31 July 2020)	Remuneration	Nil	30,000 -
			35,000
	Pension contributions paid	Nil	5,000 -
			10,000
C Wainwright	Remuneration	25,000 -	25,000 -
		30,000	30,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
J L W Cox (resigned 12 April 2021)	Remuneration	0 - 5,000	0 - 5,000
		0 - 5,000	0 - 5,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2021, expenses totalling £60 were reimbursed or paid directly to 1 Governor (2020 - £42 to 1 Governor) for expenses incurred in their capacity as a staff member.

14. Governors' 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 Governors 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 Governors and officers indemnity element from the overall cost of the RPA scheme membership.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Intangible assets

	Computer software £
Cost	
At 1 September 2020	2,495
At 31 August 2021	<u>2,495</u>
Amortisation	
At 1 September 2020	1,622
Charge for the year	499
At 31 August 2021	<u>2,121</u>
Net book value	
At 31 August 2021	<u>374</u>
At 31 August 2020	<u>873</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Fixtures, computers and equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	41,114,107	1,664,069	506,376	47,000	43,331,552
Additions	-	-	86,013	-	86,013
Disposals	(2,879,585)	-	-	-	(2,879,585)
At 31 August 2021	<u>38,234,522</u>	<u>1,664,069</u>	<u>592,389</u>	<u>47,000</u>	<u>40,537,980</u>
Depreciation					
At 1 September 2020	3,672,048	111,736	280,816	42,934	4,107,534
Charge for the year	687,034	13,313	64,530	1,017	765,894
On disposals	(2,879,585)	-	-	-	(2,879,585)
At 31 August 2021	<u>1,479,497</u>	<u>125,049</u>	<u>345,346</u>	<u>43,951</u>	<u>1,993,843</u>
Net book value					
At 31 August 2021	<u><u>36,755,025</u></u>	<u><u>1,539,020</u></u>	<u><u>247,043</u></u>	<u><u>3,049</u></u>	<u><u>38,544,137</u></u>
At 31 August 2020	<u><u>37,442,059</u></u>	<u><u>1,552,333</u></u>	<u><u>225,560</u></u>	<u><u>4,066</u></u>	<u><u>39,224,018</u></u>

Disposal of freehold buildings represent old school buildings fully depreciated and demolished.

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17. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2020	25
At 31 August 2021	<u>25</u>
Net book value	
At 31 August 2021	25
At 31 August 2020	<u>25</u>

18. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	22,517	1,652
Other debtors	3,608	28,068
Prepayments and accrued income	210,465	157,300
Tax recoverable	29,680	20,971
	<u>266,270</u>	<u>207,991</u>