

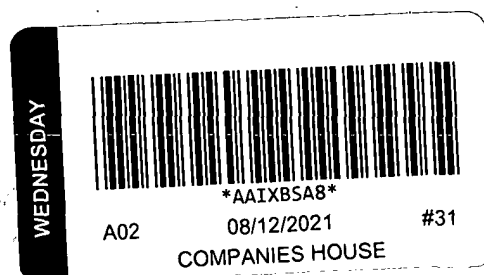
Registration number: 08713214

Westlea Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021



WESTLEA PRIMARY SCHOOL
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WESTLEA PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Amin R Barrett S Green LACT Board
Trustees (Directors)	A Amin R Barrett H Coe J Dickinson L Edmonds A Farley (appointed 2 July 2021) N Green, Chair S Green K Jones (appointed 28 September 2020) H Sieluzycki (appointed 2 July 2021) S Sumner D Welland (appointed 2 July 2021)
Senior Management Team	Mrs S Sumner, Headteacher Mrs L Edmonds, Deputy Headteacher A Watson, Phase 1/2 Lead C Breeze, Phase 5/6 Lead M Blewett, Phase KS1 Lead L Freeman, SENCO
Principal and Registered Office	Westlea Primary School Langstone Way Swindon SN5 7BT
Company Registration Number	08713214
Auditors	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX
Bankers	Lloyds Bank Swindon 5 High Street Swindon SN1 3EN
Solicitors	Stone King 13 Queen Square Bath BA1 2HJ

WESTLEA PRIMARY SCHOOL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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

The Trust operates an academy for pupils aged 2 to 11 in Primary education. It has a pupil capacity of 301 and had a roll of 303 in the school census in January 2021.

Structure, governance and management

Constitution

The Academy Trust (was incorporated on 31st October 2013 and opened as an Academy on 1st November 2013) is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Westlea Primary School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Westlea Academy.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £2,000,000.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £100,000 on any one claim.

WESTLEA PRIMARY SCHOOL

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

Method of recruitment and appointment or election of Trustees

On 1st November 2013 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 3 Parent Trustees, up to 3 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 10 other Trustees.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 1 SRP Trustee who are appointed by the board
- up to 7 LACT Trustees who are appointed by the board
- up to 3 Parent Trustees who are elected by parents of registered pupils at the Academy.
- up to 2 staff Trustees appointed by Trustee board.
- the Headteacher who is treated for all purposes as being an ex officio Governor
- co-opted by the board – no max.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and procedures adopted for the induction and training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies. The Governing Body now has a very comprehensive Governance Handbook detailing terms of reference for each committee, dates, code of conduct for Governors, each committee's members and other information pertaining to Westlea.

WESTLEA PRIMARY SCHOOL

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

Organisational structure

Since March 2020 and lockdown, the Board of Trustees has met once a month. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of the Finance committee and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are two committees as follows;

- Finance Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Staffing Committee this meets at least once a year to review all staffing and pay related issues and initiatives that affect the staff.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Management Team (SMT). The SMT comprises of the Headteacher, Deputy Headteacher, Key Stage and Phase Leaders. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team (SLT) consists of the Headteacher, Deputy Headteacher, Key Stage One leader, 3/4 and 5/6 Phase leader, PI manager and the Office Manager and Senior TA. The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Finance Committee, and full Governing Body are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts may at times include a Governor.

The Link Academy Trust comprises of four Primary schools - Millbrook, Peatmoor, Westlea and Shaw Ridge. Each school has its own Governing Body responsible for day to day operations and management of the school's budget. The Trust Board comprises of Directors, the Headteacher and Chair of Governors from each school, in addition an educational adviser, a financial adviser, a practising Inspector and a safeguarding consultant.

The Head Teacher is the Accounting Officer.

WESTLEA PRIMARY SCHOOL

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

Arrangements for setting pay and remuneration of key management personnel

Key management personnel undergo a performance management meeting at the start of the academic year within the first term, before October 31st. At this meeting targets are reviewed from the previous year and are set for the next academic year. If targets have been achieved then the relevant pay progression is applied.

The Board of Trustees delegate pay powers to the pay panel which reviews salaries during the period 1 September to 31 October and 31 December for Headteachers. A formal statement is issued stating what their salary is and how it is arrived at. Reviews may take place at any other time of the year to reflect any changes in circumstances or job description that affect the structure of the teacher's pay. Any pay awards will be made in accordance with the school's appraisal policy.

Connected organisations, including related party relationships

The Link Academy Trust is part of the Umbrella Trust and has strong working relationships with the other three above named schools.

The Westlea Support Squad (Parent Association) raise money for the school and provide valuable resources, although the finances are completely separate to the finances of the Academy.

Objectives and activities

Objects and aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on inclusion.

The principal object and activity of the Charitable Company is the operation of Westlea Primary to provide free education and care for pupils of different abilities. The Academy's specialism is care and education of P1 children in a fully inclusive curriculum.

The aims of the Academy during the year/period ended 31 August 2021 are summarised below:

- To continually drive up standards of Reading and Writing for the whole school.
- To continually drive up standards of Numeracy for the whole school.
- To develop students as more effective learners.
- To become an attachment aware school.
- To enhance the tertiary provision and outcomes.
- To develop the Academy site so that it enables students to achieve their full potential.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.

WESTLEA PRIMARY SCHOOL

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

- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of students who achieve the Expected Standard in Reading, Writing, SPAG and Numeracy to provide value for money for the funds expended.
- To develop the curriculum at Westlea primary school to ensure it is broad and balanced and to develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To maintain close links with industry and commerce.
- To develop the Academy's capacity to manage change, and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Westlea Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents are part of a happy and caring environment.

Objectives, strategies and activities

Key priorities for the year are contained in our Academy Development Plan which is available from the Academy Office. Improvement focuses identified for this year include:

- To continually improve the standards of reading, writing and numeracy throughout the school.
- To continue to address nurture and attachment across the school.
- To continue to strengthen governance and management across the school.

Key activities and targets were identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status. The activities included the following:

- review of numeracy, literacy and ICT capability.
- review of staffing levels in the light of budgetary pressure. Not replacing Teaching Assistants when they resign. General Teaching Assistants to be reduced across the school.
- further development of the intranet to support administration and communication.
- development and embedding of key financial and administrative procedures.
- continued development of systems for tracking and monitoring pupil attainment.
- range of activities to promote community cohesion and support of other charities activities.

WESTLEA PRIMARY SCHOOL

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

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Westlea and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of inclusion.

As an Academy we have a duty to support other schools. Our named schools in the Academy status are Peatmoor, Shaw Ridge and Millbrook. We support these schools through use of our specialist skills in the core subjects and a collaborative approach to staff development and shared practice.

WESTLEA PRIMARY SCHOOL

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

STRATEGIC REPORT

Achievements and performance

The Academy is in its eighth year of operation and has exceeded the forecast number of students. The total number of students currently stands at 299. The academy is full in years R, 3, 4, 5 and 6. Year 1 has 3 places and Year 2 has 1 place.

Results see IDSR, January 2019. October census 2019 is 299.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Senior Leadership Team as part of the performance management cycle.

The Academy was inspected by OFSTED on October 19th 2016 and was judged to be good.

The grounds have continued with the cycle of maintenance and the PE room was completely redesigned with a supporting wall put in and a mobile hoist. One classroom was changed into a shared library and teaching area.

Westlea Academy has very close links with Shaw Ridge Academy, Peatmoor Academy and Millbrook Academy. The Four Academies are embarking on mutual staff development, with the primary aim of driving up standards. Two training days across the year are shared across the LACT.

Key non-financial performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £141,084 was carried forward from 2020-21 representing 11% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2020-21 were 303 which was an increase of 4 compared to 2019-20.

Another key financial performance indicator is staffing costs as a percentage of GAG. Staff costs were 111% of GAG Income in 2020-21. The high percentage is representative of the high staffing rates at Westlea, this is due to the large proportion of SEN & SRP which attracts additional income to support the staffing structure.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

WESTLEA PRIMARY SCHOOL

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

STRATEGIC REPORT

Financial review

Most of the Academy's income is obtained from the DfE via the ESFA/LA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year ended 31 August 2021, total restricted expenditure of £1,655,557 (excluding the pension reserve) was covered by recurrent grant funding from the DfE, together with other incoming resources of £1,696,671. The excess of restricted income over expenditure and transfers for the year was £15,770.

At 31 August 2021 the net book value of fixed assets was £2,679,012 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 20 May 2014 at £2,634,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

WESTLEA PRIMARY SCHOOL

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

STRATEGIC REPORT

Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be decided by taking into account the following:

- one month salary bill
- the school's annual budget
- the need for any large project spend such as facilities development or building condition needs
- any uncertainty, turbulence or expected reduction in funding arrangements
- anticipated funding over the next three years

On this basis, the academy has identified a requirement to hold £115,000 as the level of free reserves.

The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £131,068. Additionally, within restricted funds the academy holds £10,016 of reserves (including the General Annual Grant) that are considered freely available for general purposes.

Trustees monitor and discuss the school finances on a regular basis with the Bursar/Headteacher.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy Trust.

Investment policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Finance Officer within strict guidelines approved by the Board of Trustees.

STRATEGIC REPORT

Principal risks and uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 73% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

WESTLEA PRIMARY SCHOOL

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

STRATEGIC REPORT

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Fundraising

Plans for future periods

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The academy aims to secure further ESFA funding to further improve parts of the school.

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website or from the Clerk to the Trustees.

Funds held as Custodian Trustee on behalf of others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Auditor

Insofar as the Trustees are aware:

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

WESTLEA PRIMARY SCHOOL

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

STRATEGIC REPORT

Reappointment of auditor

The auditors Albert Goodman, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of trustees on 15.11.2021 and signed on its behalf by:



N Green
Trustee

WESTLEA PRIMARY SCHOOL
GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of trustees has delegated the day-to-day responsibility to S Sumner, 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 Westlea Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of trustees has formally met 10 times during the year. Attendance during the year at meetings of the Board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Sumner	10	10
L Edmonds	10	10
J Dickinson	10	10
K Jones	9	10
A Farley	4	5
D Welland	2	5
H Sieluzicky	5	5
R Barrett	9	10
A Amin	9	10
S Green	2	10
N Green	10	10
H Coe	10	10

Governance reviews

During the period January 2020 - September 2020 the Board of Trustees agreed to meet monthly, but dropped the sub committees. The change was to ensure the level of Governance during the Lockdowns was strong and the school was being supported during a period of uncertainty and change.

From September 2020 to August 2021, the Board of Trustees continued to meet monthly, in addition to having Finance meetings and a staffing meeting.

In January 21 and March 21, the Board of Trustees was subject to two in depth Governance reviews. The first review was completed by the Clerk and the second review was completed by the Governance lead at Swindon Borough Council.

WESTLEA PRIMARY SCHOOL
GOVERNANCE STATEMENT (CONTINUED)

The Finance Committee is a sub-committee of the main Board of trustees. Its purpose is to Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
S Sumner	5	5
J Dickinson	5	5
A Amin	5	5
R Barrett	4	5
N Green	5	5

Review of value for money

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

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

Working closely with the Bursar to ensure services and products purchased are constantly reviewed for best value.

Working collaboratively with other schools in the LACT we have expanded our sharing of training resources and facilities to maximise CPD savings and jointly purchased consultancy services to benefit from further discounted rates.

Working collaboratively with a local secondary school and other West Swindon primary schools, we undertook a paper purchasing exercise, resulting in a cost saving for all schools with our increased buying power. We are looking to expand this initiative in the future.

PE & Sport Grant allows the school to continue to purchase services from Premier Education which includes in-house curriculum CPD for staff. This has improved the quality of teaching in school and pupil engagement and participation in physical activity

The Site manager regularly negotiates with contractors and suppliers to ensure best value prices for supplies and services.

The purpose of the system of internal control

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

WESTLEA PRIMARY SCHOOL
GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

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

The Board of trustees has considered the need for a specific internal audit function and has decided:

- To appoint an internal auditor. The Trustees have appointed Juniper Education as internal auditor. Juniper Education are an external company, contracted to provide independent accountancy and HR Support to the Academy. Their role as internal auditor gives reassurance that all financial transactions are independently examined and audited.
- to appoint Juniper as internal auditor

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of income systems
- Testing of bank and petty cash reconciliations
- Verification of balance sheet

On an annual basis, the auditor reports to the Board of trustees on the operation of the systems of control and on the discharge of the Board of trustees' financial responsibilities.

There were no material control or other issues reported by the Internal Auditor to date.

WESTLEA PRIMARY SCHOOL
GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness


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

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

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

Approved by order of the members of the Board of trustees on 15/11/21..... and signed on its behalf by:


N Green
Trustee


S Sumner
Trustee

WESTLEA PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Westlea Primary School I have considered my responsibility to notify the academy trust Board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the academy trust Board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2021.

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

S. Sumner

S Sumner

Accounting officer

Date: 19th November 2021

WESTLEA PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

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

Approved by order of the members of the Board on 15/11/21 and signed on its behalf by:


N Green
Trustee

WESTLEA PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESTLEA PRIMARY SCHOOL

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that act. 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

WESTLEA PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESTLEA PRIMARY SCHOOL (CONTINUED)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 19), the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

WESTLEA PRIMARY SCHOOL

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WESTLEA PRIMARY SCHOOL (CONTINUED)**

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

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

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

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

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

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

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

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

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

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

WESTLEA PRIMARY SCHOOL

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WESTLEA PRIMARY SCHOOL (CONTINUED)**

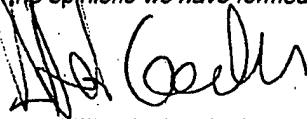
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

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

Use of our report

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



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

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 26/11/2021

WESTLEA PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY

In accordance with the terms of our engagement letter 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 Westlea Primary School during the year 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 Westlea Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Westlea Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Westlea Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

WESTLEA PRIMARY SCHOOL

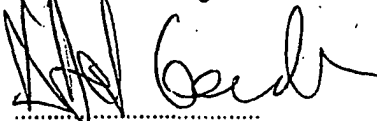
INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY (CONTINUED)

The work undertaken to draw to our conclusion includes:

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

Conclusion

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



.....
Joseph Doggrell ACA

For and on behalf of Albert Goodman LLP, Chartered Accountants

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date:

26/11/2021

WESTLEA PRIMARY SCHOOL

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	10,201	-	290,968	301,169
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	11,841	1,696,671	-	1,708,512
Other trading activities	4	21,775	-	-	21,775
Investments	5	21	-	-	21
Total		43,838	1,696,671	290,968	2,031,477
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	44,728	1,745,557	77,466	1,867,751
Net (expenditure)/income		(890)	(48,886)	213,502	163,726
Transfers between funds		(9,810)	(25,344)	35,154	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	24	-	(287,000)	-	(287,000)
Net movement in (deficit)/funds		(10,700)	(361,230)	248,656	(123,274)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		141,768	(650,754)	2,430,356	1,921,370
Total funds/(deficit) carried forward at 31 August 2021		131,068	(1,011,984)	2,679,012	1,798,096

WESTLEA PRIMARY SCHOOL

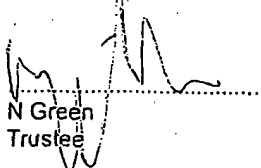
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	1,703	16,604	-	18,307
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	9,990	1,643,303	-	1,653,293
Other trading activities	4	25,372	-	-	25,372
Investments	5	80	-	-	80
Total		37,145	1,659,907	-	1,697,052
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	1,760,705	69,810	1,830,515
Net income/(expenditure)		37,145	(100,798)	(69,810)	(133,463)
Transfers between funds		-	(500)	500	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	24	-	79,000	-	79,000
Net movement in funds/(deficit)		37,145	(22,298)	(69,310)	(54,463)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		104,623	(628,456)	2,499,666	1,975,833
Total funds/(deficit) carried forward at 31 August 2020		141,768	(650,754)	2,430,356	1,921,370

WESTLEA PRIMARY SCHOOL
(REGISTRATION NUMBER: 08713214)
BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	2,679,012	2,440,166
Current assets			
Debtors	12	41,646	42,877
Cash at bank and in hand		<u>225,072</u>	<u>170,719</u>
		266,718	213,596
Creditors: Amounts falling due within one year	13	<u>(114,254)</u>	<u>(72,192)</u>
Net current assets		<u>152,464</u>	<u>141,404</u>
Total assets less current liabilities		2,831,476	2,581,570
Creditors: Amounts falling due after more than one year	14	<u>(11,380)</u>	<u>(15,200)</u>
Net assets excluding pension liability		2,820,096	2,566,370
Pension scheme liability	24	<u>(1,022,000)</u>	<u>(645,000)</u>
Net assets including pension liability		<u>1,798,096</u>	<u>1,921,370</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(1,011,984)	(650,754)
Restricted fixed asset fund		<u>2,679,012</u>	<u>2,430,356</u>
		1,667,028	1,779,602
Unrestricted funds			
Unrestricted general fund		<u>131,068</u>	<u>141,768</u>
Total funds		<u>1,798,096</u>	<u>1,921,370</u>

The financial statements on pages 26 to 51 were approved by the Trustees, and authorised for issue on 15/11/21 and signed on their behalf by:


 N Green
 Trustee

WESTLEA PRIMARY SCHOOL
STATEMENT OF CASH FLOWS

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	93,708	(46,599)
Cash flows from investing activities	20	(35,535)	(420)
Cash flows from financing activities	19	<u>(3,820)</u>	<u>(1,155)</u>
Change in cash and cash equivalents in the year		54,353	(48,174)
Cash and cash equivalents at 1 September		<u>170,719</u>	<u>218,893</u>
Cash and cash equivalents at 31 August	21	<u><u>225,072</u></u>	<u><u>170,719</u></u>

WESTLEA PRIMARY SCHOOL

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

1 Accounting policies

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

Basis of preparation

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

Going concern

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

Income

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

Grants

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

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

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

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a [straight-line/reducing balance] basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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.

Asset class	Depreciation method and rate
Leasehold property	2% straight line
Long leasehold land	Over the lease term of 125 years
Furniture and fittings	20% straight line
Computer equipment	33% straight line
Plant and machinery	10% straight line

Liabilities

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

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Financial Instruments

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

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

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

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

Taxation

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

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

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

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

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

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.

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

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

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants DfE/ESFA	-	275,968	275,968	-
Other donations	10,201	-	10,201	18,307
Donated fixed assets	-	15,000	15,000	-
	<u>10,201</u>	<u>290,968</u>	<u>301,169</u>	<u>18,307</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,255,203	1,255,203	1,275,793
Other DfE/ESFA grants	-	12,245	12,245	21,616
UFSM	-	42,282	42,282	38,499
Pupil Premium	-	89,974	89,974	87,244
Rates	-	12,186	12,186	8,705
ESFA Teachers pay grant	-	14,138	14,138	14,470
ESFA Teachers pension grant	-	39,947	39,947	40,888
	-	1,465,975	1,465,975	1,487,215
Other government grants				
Catch-up premium	-	31,472	31,472	-
Non-government grants and other income				
High Needs	-	199,224	199,224	156,088
Internal Catering Income	11,841	-	11,841	9,990
	11,841	199,224	211,065	166,078
Total grants	11,841	1,696,671	1,708,512	1,653,293

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

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

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Other Income	5,160	5,160	-
Lettings	16,615	16,615	24,520
Fees received	-	-	852
	<u>21,775</u>	<u>21,775</u>	<u>25,372</u>

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	<u>21</u>	<u>21</u>	<u>80</u>

6 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other costs £	2021 Total £	2020 Total £
Academy's educational operations					
Direct costs	1,213,493	-	86,312	1,299,805	1,294,547
Allocated support costs	<u>278,259</u>	<u>140,555</u>	<u>149,132</u>	<u>567,946</u>	<u>535,968</u>
	<u>1,491,752</u>	<u>140,555</u>	<u>235,444</u>	<u>1,867,751</u>	<u>1,830,515</u>

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Operating lease rentals	2,589	2,364
Depreciation	72,678	69,810
Fees payable to auditor - audit	6,750	5,550
- other audit services	<u>1,850</u>	<u>1,850</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

7 Charitable activities

	2020/21 £	2019/20 £
Direct costs - educational operations	1,299,805	1,294,547
Support costs - educational operations	567,946	535,968
	<u>1,867,751</u>	<u>1,830,515</u>
	2020/21 Total £	2019/20 Total £
Analysis of direct costs		
Teaching and educational support staff costs	1,213,493	1,230,946
Educational supplies	25,278	27,817
Staff development	37,205	6,133
Other direct costs	-	1,987
Technology costs	4,164	10,241
Supply costs	5,438	3,203
Trip costs	14,227	14,220
Total direct costs	<u>1,299,805</u>	<u>1,294,547</u>
	2020/21 Total £	2019/20 Total £
Analysis of support costs		
Support staff costs	278,259	267,987
Depreciation	72,678	69,810
Recruitment and support	5,180	-
Rent, rates and utilities	29,617	38,118
Insurance	7,205	7,094
Catering	40,127	29,696
Maintenance of premises and equipment	24,222	27,015
Cleaning	14,038	12,069
Professional fees	84,326	72,242
Other support costs	12,294	11,937
Total support costs	<u>567,946</u>	<u>535,968</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	1,061,965	1,068,463
Social security costs	87,410	78,499
Operating costs of defined benefit pension schemes	327,373	348,768
	<u>1,476,748</u>	<u>1,495,730</u>
Supply staff costs	5,438	3,203
Staff restructuring costs	9,566	-
	<u>1,491,752</u>	<u>1,498,933</u>
		2021 £
Staff restructuring costs comprise:		
Redundancy payments		<u>9,566</u>

Staff numbers

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

	2021 No	2020 No
Charitable Activities		
Teachers	16	17
Administration and support	62	64
Management	2	2
	<u>80</u>	<u>83</u>

Higher paid staff

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

	2021 No
£60,001 - £70,000	<u>1</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

8 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £301,525 (2020: £337,569).

9 Related party transactions - trustees' remuneration and expenses

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

S Sumner (Headteacher):

Remuneration: £60,000 - £65,000 (2020 - £55,000 - £60,000)

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

L Edmonds (Deputy Headteacher - appointed 01/01/2020):

Remuneration: £45,000 - £50,000 (2020 - £25,000 - £30,000)

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

J Dickinson (Bursar & Staff Governor):

Remuneration: £25,000 - £30,000 (2020 - £25,000 - £30,000)

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

Other related party transactions involving the trustees are set out in note 25.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2020	2,737,587	110,519	70,661	2,918,767
Additions	292,176	2,970	21,166	316,312
Disposals	(1,414)	(16,199)	(8,098)	(25,711)
At 31 August 2021	<u>3,028,349</u>	<u>97,290</u>	<u>83,729</u>	<u>3,209,368</u>
Depreciation				
At 1 September 2020	342,754	70,112	65,735	478,601
Charge for the year	50,490	13,783	8,405	72,678
Eliminated on disposals	(179)	(12,646)	(8,098)	(20,923)
At 31 August 2021	<u>393,065</u>	<u>71,249</u>	<u>66,042</u>	<u>530,356</u>
Net book value				
At 31 August 2021	<u>2,635,284</u>	<u>26,041</u>	<u>17,687</u>	<u>2,679,012</u>
At 31 August 2020	<u>2,394,833</u>	<u>40,407</u>	<u>4,926</u>	<u>2,440,166</u>

12 Debtors

	2021 £	2020 £
VAT recoverable	3,566	4,282
Prepayments and accrued income	<u>38,080</u>	<u>38,595</u>
	<u>41,646</u>	<u>42,877</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	1,155
Other taxation and social security	19,364	18,532
Other creditors	27,021	25,949
Accruals and deferred income	67,869	26,556
	<u>114,254</u>	<u>72,192</u>
	2021 £	2020 £
Deferred income		
Deferred income at 1 September 2020	18,656	91,068
Resources deferred in the period	14,434	18,656
Amounts released from previous periods	(18,656)	(91,068)
Deferred income at 31 August 2021	<u>14,434</u>	<u>18,656</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals and catering.

14 Creditors: amounts falling due after one year

	2021 £	2020 £
Loans	<u>11,380</u>	<u>15,200</u>

The loan relates to amounts due to Swindon Unitary Authority in respect of an equal pay claim which arose prior to conversion to an Academy. The total amount due is unsecured and repayable in annual instalments of £1,962 over 17 years. Interest is being charged at a rate of 4.93% per annum. The total amount outstanding at the year end was £12,715 (2020: £16,355).

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

15 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	10,601	1,267,389	(1,230,373)	(28,984)	18,633
Pupil Premium	-	89,974	(89,974)	-	-
Other DfE/ESFA grants	-	47,564	(47,564)	-	-
Universal Infant Free School Meals	-	42,282	(42,282)	-	-
Catch up premium	-	31,472	(31,472)	-	-
Other Local Authority Grant	-	199,224	(199,224)	-	-
Pension reserve	(645,000)	-	(90,000)	(287,000)	(1,022,000)
PE Grant	-	18,766	(14,668)	-	4,098
Equal Pay Loan	(16,355)	-	-	3,640	(12,715)
	<u>(650,754)</u>	<u>1,696,671</u>	<u>(1,745,557)</u>	<u>(312,344)</u>	<u>(1,011,984)</u>
Restricted fixed asset funds					
Fixed Assets Transferred on Conversion	2,338,099	-	(55,516)	-	2,282,583
Fixed Assets Purchased from GAG and Other Restricted Funds	57,354	-	(4,387)	35,154	88,121
DFE/ESFA Capital Grants	26,370	257,968	(17,333)	-	267,005
Fixed Assets Purchased From Donations	8,533	15,000	(230)	-	23,303
Local Authority Grants	-	18,000	-	-	18,000
	<u>2,430,356</u>	<u>290,968</u>	<u>(77,466)</u>	<u>35,154</u>	<u>2,679,012</u>
Total restricted funds	1,779,602	1,987,639	(1,823,023)	(277,190)	1,667,028
Unrestricted funds					
General	141,768	43,838	(44,728)	(9,810)	131,068
Total funds	<u>1,921,370</u>	<u>2,031,477</u>	<u>(1,867,751)</u>	<u>(287,000)</u>	<u>1,798,096</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

15 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	1,275,793	(1,263,591)	(1,601)	10,601
Pupil Premium	-	87,244	(87,244)	-	-
Other DfE/ESFA grants	-	74,463	(74,463)	-	-
Universal Infant Free School Meals	-	38,499	(38,499)	-	-
High Needs	-	156,088	(156,088)	-	-
Other Local Authority Grant	-	3,650	(3,650)	-	-
Pension reserve	(611,000)	-	(113,000)	79,000	(645,000)
Devolved Formula Capital	-	7,566	(7,566)	-	-
Educational Visits	-	16,604	(16,604)	-	-
Equal Pay Loan	(17,456)	-	-	1,101	(16,355)
	<u>(628,456)</u>	<u>1,659,907</u>	<u>(1,760,705)</u>	<u>78,500</u>	<u>(650,754)</u>
Restricted fixed asset funds					
Fixed Assets Transferred on Conversion	2,388,889	-	(50,790)	-	2,338,099
Fixed Assets Purchased from GAG and Other Restricted Funds	72,338	-	(15,484)	500	57,354
DfE/ESFA Capital Grants	29,676	-	(3,306)	-	26,370
Fixed Assets Purchased From Donations	8,763	-	(230)	-	8,533
	<u>2,499,666</u>	<u>-</u>	<u>(69,810)</u>	<u>500</u>	<u>2,430,356</u>
Total restricted funds	1,871,210	1,659,907	(1,830,515)	79,000	1,779,602
Unrestricted funds					
General	104,623	37,145	-	-	141,768
Total funds	<u>1,975,833</u>	<u>1,697,052</u>	<u>(1,830,515)</u>	<u>79,000</u>	<u>1,921,370</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

15 Funds (continued)

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received from the Local Authority to fund further support for students with additional needs.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Equal pay loan - Represents money received from Swindon Unitary Authority in respect of equal pay claims which arose prior to conversion to an Academy Trust which are now owed back.

UIFSM - This represents funding received from the ESFA for the provision of school dinners to all reception and key stage one pupils.

Other DfE/ESFA grants - This represents money received from the ESFA for the provision of PE to pupils and the Teachers' Pay Grant.

Other Local Authority grants - This relates to capital grants and pupil premium received from the local authority.

Educational visits - This represents money received for the provision of school trips.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Capital expenditure from GAG - This represents the amount of the General Annual Grant allocated towards

Fixed assets transferred on conversion represent the building and equipment donated to the school from Swindon Unitary Authority on conversion to an academy.

Fixed assets donated in previous years represent a donation from Friends of Westlea to purchase new playground equipment.

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,679,012	2,679,012
Current assets	131,068	135,650	-	266,718
Current liabilities	-	(114,254)	-	(114,254)
Creditors over 1 year	-	(11,380)	-	(11,380)
Pension scheme liability	-	(1,022,000)	-	(1,022,000)
Total net assets	<u>131,068</u>	<u>(1,011,984)</u>	<u>2,679,012</u>	<u>1,798,096</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,440,166	2,440,166
Current assets	141,768	71,828	-	213,596
Current liabilities	-	(72,192)	-	(72,192)
Creditors over 1 year	-	(15,200)	-	(15,200)
Pension scheme liability	-	(645,000)	-	(645,000)
Total net assets	<u>141,768</u>	<u>(660,564)</u>	<u>2,440,166</u>	<u>1,921,370</u>

17 Long-term commitments, including operating leases

Operating leases

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

	2021 £	2020 £
Amounts due within one year	2,589	2,364
Amounts due between one and five years	<u>10,357</u>	<u>1,773</u>
	<u>12,946</u>	<u>4,137</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

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

	2021	2020
	£	£
Net income/(expenditure)	163,726	(133,463)
Depreciation	72,678	69,810
Capital grants from DfE and other capital income	(275,968)	-
Interest receivable	(21)	(80)
Defined benefit pension scheme cost less contributions payable	79,000	101,000
Defined benefit pension scheme finance cost	11,000	12,000
Decrease/(increase) in debtors	1,231	(362)
Increase/(decrease) in creditors	42,062	(95,504)
Net cash provided by/(used in) Operating Activities	<u>93,708</u>	<u>(46,599)</u>

19 Cash flows from financing activities

	2021	2020
	£	£
Repayments of borrowing	<u>(3,820)</u>	<u>(1,155)</u>
Net cash used in financing activities	<u>(3,820)</u>	<u>(1,155)</u>

20 Cash flows from investing activities

	2021	2020
	£	£
Dividends, interest and rents from investments	21	80
Purchase of tangible fixed assets	(316,312)	(500)
Proceeds from sale of tangible fixed assets	4,788	-
Capital funding received from sponsors and others	275,968	-
Net cash used in investing activities	<u>(35,535)</u>	<u>(420)</u>

21 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>225,072</u>	<u>170,719</u>
Total cash and cash equivalents	<u>225,072</u>	<u>170,719</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

22 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	170,719	54,353	225,072
Loans falling due after more than one year	(15,200)	4,104	(11,096)
Total	<u>155,519</u>	<u>58,457</u>	<u>213,976</u>

23 Members' liability

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

24 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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

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

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

24 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £125,830 (2020: £122,106). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £163,000 (2020 - £140,000), of which employer's contributions totalled £137,000 (2020 - £114,000) and employees' contributions totalled £26,000 (2020 - £26,000). The agreed contribution rates for future years are 23.7 per cent for employers and 5.5 per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.30	2.60
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

24 Pension and similar obligations (continued)

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

	2021	2020
Retiring today		
Males retiring today	21.90	21.70
Females retiring today	24.40	24.00
Retiring in 20 years		
Males retiring in 20 years	22.90	22.50
Females retiring in 20 years	<u>26.20</u>	<u>25.50</u>

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

	2021 £	2020 £
Equities	988,350	878,000
Other bonds	593,010	502,000
Property	197,670	188,000
Cash and other liquid assets	<u>17,970</u>	<u>-</u>
Total market value of assets	<u>1,797,000</u>	<u>1,568,000</u>

The actual return on scheme assets was £235,407 (2020 - £32,928).

Amounts recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	(216,000)	(215,000)
Interest income	27,000	27,000
Interest cost	<u>(38,000)</u>	<u>(39,000)</u>
Total amount recognized in the SOFA	<u>(227,000)</u>	<u>(227,000)</u>

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

	2021 £	2020 £
At start of period	2,213,000	2,031,000
Current service cost	216,000	215,000
Interest cost	38,000	39,000
Employee contributions	26,000	26,000
Actuarial (gain)/loss	467,000	(74,000)
Benefits paid	<u>(141,000)</u>	<u>(24,000)</u>
At 31 August	<u>2,819,000</u>	<u>2,213,000</u>

WESTLEA PRIMARY SCHOOL

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

(CONTINUED)

24 Pension and similar obligations (continued)

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

	2021	2020
	£	£
At start of period	1,568,000	1,420,000
Interest income	27,000	27,000
Actuarial gain/(loss)	180,000	5,000
Employer contributions	137,000	114,000
Employee contributions	26,000	26,000
Benefits paid	<u>(141,000)</u>	<u>(24,000)</u>
At 31 August	<u>1,797,000</u>	<u>1,568,000</u>

25 Related party transactions

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

Expenditure related party transactions

During the year the academy made the following related party transactions:

Millbrook Primary School

(Member of the Link Academies Collaborative Trust.)

Recharge of expenditure totalling £5,159.

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2021.

At the balance sheet date the amount due to Millbrook Primary School was £Nil (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.