

Company Registration Number: 09255088 (England & Wales)

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

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THE WHERRY SCHOOL TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Members | Barry Payne Susan Tindal Thomas Garrod Tim Sweeting Alan Bicknell (resigned 30 June 2020) |
| Trustees | Barry Payne, Chair of Trustees Susanne McDonnell Victoria McKenzie Miriam Jones Brian Conway Dale Coleman Rachel Quick Alan Bicknell (resigned 30 June 2020) Matthew Price Jennifer Mangkusasono Joanna Rand (appointed 16 September 2020) |
| Company registered number | 09255088 |
| Company name | The Wherry School Trust |
| Principal and registered office | The Wherry School 280 Hall Road Norwich Norfolk NR1 2GB |
| Company secretary | Dale A Coleman |
| Senior leadership team | Rachel M Quick, Principal Robert Speck, Vice Principal Danielle Winteringham, Assistant Principal |
| Independent auditors | Price Bailey LLP Chartered Accountants Statutory Auditors Anglia House, 6 Central Avenue St Andrews Business Park Thorpe St Andrew Norwich Norfolk NR7 0HR |
| Bankers | Lloyds Bank 16 Gentleman's Walk Norwich Norfolk NR2 1LZ |

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Solicitors

NP Law
Norfolk County Council
County Hall
Martineau Lane
Norwich
Norfolk
NR1 2DH

THE WHERRY SCHOOL TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their Annual Report together with the financial statements and Auditor's Report of the Wherry School Trust (The Academy, The Trust or the Charitable Company) for the Year ended 31 August 2020. The Annual Report serves the purposes of the both a Trustees' Report and a Directors' Report under company law.

The Trust School opened in September 2017, It operates as a free school Academy for pupils aged 4 to 19 serving a catchment area in Norfolk and Suffolk. It should have a pupil capacity number of 100. As at September 2020 the school has exceeded its growth plan and admitted 84 pupils.

Structure, governance and management

a. Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The Trustees of The Wherry School Trust are also the directors of the charitable company for the purposes of company law. The terms Trustee, Director and Governor are interchangeable.

The charitable company is known as The Wherry School Trust (The Trust).

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

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice The Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance providers cover up to £10,000,000 on any one claim and details of the costs are disclosed in Note 13 to the accounts (Summary of Cover provided by RPA).

d. Method of recruitment and appointment or election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Principal is an ex-officio member of the Governing Body. Parent Trustees and a Staff Trustee are also elected to office. The Articles of Association make provision for no less than three Trustees with no specified maximum. The Board model is to comprise of 10 Trustees (2 parents, 1 staff – including the Principal and 7 others).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end The Trust provides an internal programme of continued professional development led by school staff and links with a number of local training providers including Educator Solutions Governance Service.

All new Trustees are entitled to an induction to the role, according to their need, which may include introductory sessions, mentoring and formal courses. This process involves a meeting with the Chair of Trustees and Principal or Vice principal. All Trustees are provided with a handbook plus copies of policies and procedure documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work they will undertake.

f. Organisational structure

The governance of The Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department for Education.

The Board of Trustees meet on at least 2 occasions per year and the Leadership and Management Committee (Finance) meet at least 4 times per year. The Board of Trustees is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results, approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Principal with the external adviser and supports the outcomes and recommendations of the Department for Education Adviser and reviews them.

The Principal is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Principal has delegated responsibility for the low values of expenditure to specific budget holders (where appropriate) who are responsible for managing their own departments within their allocated budgets. A system of financial controls has been put in place to manage this process.

The Principal manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Principal and Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Principal to manage certain aspects of the Academy.

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

Key management personnel include Academy Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day to day running of The Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors such as the school group size, ISR, the pay scales for each role and level of experience of each staff member. In additional pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with The Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the Leadership and Management Committee.

Whilst some of the Trustees may be employed within the school, they will not be remunerated for their role as a Trustee which is an unpaid role.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

h. Related parties and other connected charities and organisations

Owing to the nature of The Trust's operations and composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions may take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the "at cost" principle described in the Academies Financial Handbook.

In 2019-20 the only transaction that took place with organisations in which members of the Board have an interest, was in regard to Notre Dame High School (part of the St John the Baptist Catholic Multi Academy Trust), for which Brian Conway (Trustee of The Wherry School Trust), is the CEO. The transaction in question, was in regard to a training course, which was provided to an employee of the Trust.

The Trust does not have a formal sponsor.

Objectives and activities

a. Objects and aims

The principle object and aim of the Charitable Company is the operation of the Wherry School (Norwich) to provide free education and care for pupils with Special Educational Needs (Autism) between the ages for 4 and 19.

b. Objectives, strategies and activities

During the year the school has worked towards these aims by:

- Continuing recruitment of staff in line with objectives and planned growth model
- Successful admission of pupils in line with the proposed growth plan, managing additional admissions of pupils via tribunal
- Strengthening of the Trust Board at both Trustee and Member level
- Self review and evaluation to inform the School Development and Improvement Plan (SDIP) to direct the work of the school relative to Ofsted criteria
- Ensuring a thorough review of the curriculum has been completed, in line with the new Ofsted Inspection Framework (from September 2019)
- Creation of a teaching and assessment framework for an informal curriculum to meet the specific wider needs of pupils with autism and communication disorders

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Our success in fulfilling our aims can be measured by:

- The on-going reports from the Department for Education Advisers (DFE EA), monitoring outcomes for pupils, quality of teaching and learning, including the curriculum, quality of leadership and management, pupils' behaviour and personal attitudes.
- The continuing successful recruitment of all staff including classroom teachers, support staff, building staff, office and administrative support staff
- The development of the Key Stage 4 (GCSE) offer for pupils, to include up to 11 GCSEs for year 10 pupils from September 2019: recruitment of staff for the GCSE offer subjects
- Ensuring that the school is registered as an exam centre, to allow for the delivery and assessment of GCSE courses from exam providers
- The on-going purchasing of classroom and infrastructure resources to allow for the delivery of the school curriculum, including the creation of a media suite and the opening of a further 2 classrooms
- The retention of the commissioned clinical support team, including Educational Psychologists, Child Psychologists, Speech and Language Therapist, specialist ASD advisers, Occupational Therapists.
- The development of the informal Autism Specific Skills and Knowledge Curriculum, developed with the commissioned clinical professional team.
- The completion of school development targets, including provision for pupils to access mainstream curriculum opportunities and age related national assessments (SATs/National screening assessments)
- The improved attendance of individuals and groups of children who have previously had a poor attendance record.
- The development of tiered support for pupils to ensure that individual needs are met.
- The development of both internal and external spaces within the school to accommodate children with ASD. Including specialist areas for individual work and sensory support.

c. Public benefit

The Trustees believe that by working towards the objects and aims of the school as detailed above, they have complied with their duty to have due regards to the guidance on public benefit published by the Charity Commission.

Strategic report

Achievements and performance

The Trust has continued its mission to provide educational opportunities for pupils with ASD students (Autistic Spectrum Disorder) in the Norfolk and Suffolk catchment; to support parents and the wider ASD community and provide support for other schools through outreach work and advice administered by Norfolk Local Authority School to School (S2S) service.

The school has maintained and exceeded the expected numbers of pupils within the school and appropriately managed the additional demand for places in a specialist provision, through first tier tribunal. The school has used its resources well to ensure that pupils have made expected academic progress and achieve in line with individual expectations.

Scrutiny of the school's achievement of its stated aims in the School Development Plan has been undertaken by the school Senior Leadership Team with the school staff, alongside the Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The Trustees receive regular information at each committee meeting (as identified in the Committee Terms of Reference). The current committee structure is:

- Leadership and Management Committee – covering Finance, Staffing and Trust buildings
- Teaching and Learning – covering teaching, assessments, staffing, standards
- Behaviour, Safety and Welfare (Care) – covering behaviour scrutiny, safeguarding, health and safety.

Funding in the year consisted of:

- ESFA funding agreement income. Pupil placement income per child, in line with the agreed Growth plan
- Local Authority Top Up funding, per placement costs
- As numbers of pupils admitted to the school exceeded the growth plan, additional placement costs are received from the commissioning Local Authority
- Pupil Premium, Sports Premium, Top Up funding (Year 7 Catch up Funding), Teachers Pay and Pension grants, Universal Infant FSM and Start-up/Post opening grant
- Capital funding, per the ESFA allocation
- Other donations
- Catering income

The Academy Trust was operating within its budget for the financial year ended 31 August 2020.

The key performance indicators reviewed by the Trust are as follows:

- To ensure pupils make expected progress with regards to their starting points, where possible attain in line with National Average indicators in Reading, Maths and Grammar Punctuation and Spelling at KS2 – pupil progress at KS2 at The Wherry School remains challenging, as this is based on pupils' capacity to independently complete statutory assessments – Teacher assessment is used to complement testing arrangements and provide a more rounded viewpoint of pupil progress over the last 2 years since The Wherry School opened.
- Key Stage 2 data indicates that pupil progress in Reading sits within the average range: Reading and Writing are below average in tests.
- To ensure pupils make expected progress with regards to their starting points, to attain in line with National Average indicators in Reading, Maths and Writing at KS1 – small cohorts (2 pupils) – 100% pupils achieved expected level in Reading, 100% of pupils working towards expected level in Maths and Writing. Teacher assessments indicate that pupils in computer based assessments (GL) indicate pupil attainment in KS2 should demonstrate increasing confidence and improvements.
- To ensure that the school structure is able to offer appropriate curricular including GCSE options are available for pupils – September 2020 the school structure included options for 11 GCSEs/Entry Level ½ assessments.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

Throughout the year, the Leadership and Management Committee has reviewed the month end reports and after making appropriate enquiries, noted within the meeting minutes and in papers presented to the committee, the Board of Trustees has a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

The principal source of funding for The Trust in the year was pupil specific funding from the Department for Education (ESFA GAG funding) and placement funding within the Budget Share from Norfolk Local Authority. Total income received in the year was £2,582,200. Included within this amount was £26,420 received from capital grants and donations for the equipping of the school.

During the year The Trust spent £2,927,130 on expenditure, including £248,843 for depreciation in relation to the school building project, ICT Infrastructure and hardware.

The Trust had brought forward balances on unrestricted funds of £758, restricted funds of £309,843 (excluding the pension deficit of £321,000) and £7,023,835 restricted fixed asset fund. The carry forward balance on unrestricted funds is £940, restricted funds is £339,873 (excluding the pension deficit of £597,000) and restricted fixed asset funds is £6,814,693.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension deficit of £597,000 as at 31 August 2020. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

a. Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year end carry forward figures via the monthly reports from the Accounting Officer. The Budget plan and monitoring reports identify how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for the specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £940.

The cash balance of the Academy has been healthy all year, ending the year with a balance £444,712. The Trustees monitor cash flow as part of the Accounting Officer's reports.

The Trust will continue to adapt its reserves policy as its income develops further with direct education and SEND funding away from the start up and capital funding streams.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

b. Investment policy

The aim of the Trustees is to ensure funds that The Trust does not immediately need to cover anticipated expenditure are invested to maximise The Trusts income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trust does not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

c. Principal risks and uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of The Trustees at each meeting. This is reviewed by the Leadership and Management committee. The principle risks facing The Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that The Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an Academy Free School,

- The level of financial risk is low
- Cash flows can be reliably forecast, monitored and reported.
- Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principle risks and uncertainties facing the Trust as follows:

- The Academy has considerable reliance on Government funding through the ESFA however, 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;
- The Academy has significantly more reliance on Local Authority High Needs /SEN Grants which can be constrained by both local and national political budget setting pressures; reduction in this funding stream would make the current support and staffing structures untenable;
- 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 Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees will ensure that student progress and outcomes 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 on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;

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TRUSTEES' REPORT (CONTINUED)
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- Financial instruments - the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- Defined benefit pension liability - as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring Trustee and staff awareness.

Covid-19 School Impact

The Global Pandemic (Covid-19) has had a significant impact on the running of The Wherry School and its finances. From the first national lockdown in March 2020, where virtual and practical support was put in place to aid children and their families, to the reopening and transition back to school for all pupils, there have had to be many changes and adaptations. As a specialist school for ASD children, this has obviously influenced the learning, and the behaviour for learning of the young people. In particular The Wherry School has had to do the following to deal with this crisis:

- Detailed Risk Assessments have been produced and adapted over time to deal with all eventualities. These have been approved by Senior Leaders and Trustees and conveyed to the school community. They are also regularly reviewed and changed to meet the new challenges that the Pandemic throws up.
- Commissioned clinical team meetings have continued to plan for provision for individual and groups of pupils from September; the school risk assessment will be sent to Norfolk CC to support the return of County Council employees and professionals into the building.
- Limited transition work for new pupils was undertaken; all 19 new pupils started in school from September 2020.
- The school has maintained robust family groups/bubbles since pupils returned to school from June 2020; by early July 75%+ of pupils returned to school to learn in class.
- Over 1,000 welfare calls, including doorstep visits were undertaken to ensure that welfare of children and families over the Lockdown period.

Fundraising

The trust has not undertaken any fundraising events during the year. The trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

In the next financial year Trustees' focus will be to ensure the continued operation and development of the school.

This will be measured by:

- Continuing strengthening of The Trust Board, including at Member Level to prepare for a possible conversion to a Multi Academy Trust (MAT). This will include the appointment of a Business Manager and the recruitment of a specialist Finance Trustee to replace a retired Trustee.
- To restructure the Governance in order to meet the requirements of a Sponsoring MAT.
- If approved to become a Sponsoring MAT, then the appointment of new Member and Trustees along with CEO Designate and Finance and Operations Director.
- If approved as a Sponsor MAT by the DfE, to apply to run other schools in Norfolk and/or Suffolk.
- To develop a new Governance Handbook in line with new DfE document 'Academy Trust Governance- Structures and Role Descriptors October 2020'.
- Achievement of individual role targets for 2020/21.
- Continuing development of the curriculum and associated resources, including those required at Key Stage 4/GCSE offer and ensuring that the school can take pupils at the Early Years Phase as required.
- Preparation and Development of the Post 16 offer already for 2021/22 academic year.
- Continuing the school published growth plan, including staffing support for increase in pupil numbers.
- Support the Principal in the legal work required to manage the large number pupils wishing to attend the school and the resulting Tribunals.
- Ensuring the impact of the commissioned clinical professional support, that this meets the needs of the pupils on roll and supports the development and review of the school informal curriculum offer.

Funds held as custodian on behalf of others

At no point during the period did the Trust hold funds as custodian trustee on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2020 and signed on its behalf by:



Barry Payne (Dec 21, 2020, 9:51am)

Barry Payne
(Chair of Trustees)

THE WHERRY SCHOOL TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Wherry School Trust 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 2 times during the year. However, due to the Covid-19 Pandemic, one full Trustee meeting was cancelled and one postponed until September 2020. Two further on-line virtual meetings took place to discuss the emergency and manage the risks for the school.

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

| Trustee | Meetings attended | Out of a possible |
|---|-------------------|-------------------|
| Barry Payne, Chair of Trustees | 2 | 2 |
| Susanne McDonnell | 2 | 2 |
| Victoria McKenzie | 2 | 2 |
| Miriam Jones | 1 | 2 |
| Brian Conway | 1 | 2 |
| Dale Coleman | 2 | 2 |
| Rachel Quick | 2 | 2 |
| Alan Bicknell (resigned 30 June 2020) | 1 | 1 |
| Matthew Price | 2 | 2 |
| Jennifer Mangkusasono | 1 | 1 |
| Joanna Rand (appointed 16 September 2020) | 0 | 0 |

The Board of Trustees undertook a self-appraisal/skillset review prior to the formation of the Trustee Board, as the previous Project Board was assimilated into a new Trust Board. This has been continually developed over the year and added to.

Strengths of the current Trustees include:

- Wide ranging educational knowledge from mainstream and special education sector
- Extensive school leadership (including Academy management) experience
- A qualified accountant
- Experienced Head Teachers, both existing and retired
- Extensive knowledge of the Charity and voluntary sector
- Parent Trustee with experience of criminal and civil law
- Experienced Outreach Teacher within mainstream schools
- Experienced Teacher with knowledge of mainstream and SEND

Further challenge within the Trustees has been strengthened through the appointment of 2 parent Trustees and we have also appointed a Trustee who is a serving Special School Head Teacher.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

During the year the Terms of Reference for the 3 committees were scrutinised and reviewed to ensure that each committee has a clear direction and remit for their work with the school. Responsibilities were clarified through discussion and reporting structures to the Full Trust Board confirmed.

Long and short term strategy for the development of the Trust, including responding to the needs of the ASD community and the demand on school places through admissions and tribunals, alongside two Local Authorities also informed decisions of all committees, but in particular the Leadership and Management Committee with regards to funding streams and staffing.

The Board of Trustees sought to ensure that there is a balanced representation of staff from varying roles who were invited to join the committee, as well as seeking to ensure a gender balance.

Unfortunately, at the end of this year we have also had the retirement of a Trustee who had extensive experience in the education of children with Autism.

The Trustees receive regular information at each committee meeting (as identified in the Committee Terms of Reference). The current committee structure is:

- Leadership and Management Committee – covering Finance, Staffing and Trust buildings
- Teaching and Learning – covering teaching, assessments, staffing, standards
- Behaviour, Safety and Welfare (Care) – covering behaviour scrutiny, safeguarding, health and safety.

The Leadership and Management (including Finance) Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- To consider the preparation, development, monitoring and review of the School Development and Improvement Plan and the impact on the Board of Trustees' cycle of work.
- To regularly consider and update the relevant sections of the school's Self Evaluation Programme.
- To consider, approve the preparation of and recommend to the full Board of Trustees a three year balanced revenue budget.
- To consider, approve the preparation of and recommend to the full Board of Trustees any revisions to the budget.
- To appoint auditors on an annual basis.
- To review Draft Statutory Accounts and recommend Final Statutory Accounts.
- To monitor overall performance of both revenue and capital budgets, while delegating detailed scrutiny to responsible Committees, and advise the full Board of Trustees of any actions necessary to ensure compliance with the agreed budget.
- To ensure that the financial administration of the school complies with ESFA and DfE guidance and other statutory and relevant procedures.
- To be responsible for the appointment and promotion of staff and termination of staff contracts other than the appointment of the Principal.
- To approve policies and procedures concerning secondment, leave of absence, early retirement, and extension of sick pay and to notify staff of the outcome.
- To review the staffing establishment of the school, ensuring that it meets the needs of the curriculum, is in line with the projected number of students in the school and is also in line with the School Development Plan and the 3 Year Budget Forecast. To carry out any subsequent adjustment procedures with the staff.
- To review annually the pay of staff, including the Principal, in accordance with the Board of Trustees' Pay Policy, which shall itself be kept under review by the Committee and to notify staff of the outcome.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------------|-------------------|-------------------|
| Dale Coleman (Chair) | 5 | 5 |
| Barry Payne | 4 | 5 |
| Brian Conway | 4 | 5 |
| Rachel Quick | 5 | 5 |

Review of value for money

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

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

- Ensuring that tendered contracts for the kitchen and facilities management in the school are robustly scrutinised and the provider challenged to ensure that snacks, dinners, products used and support services are of the highest quality and value for money for the children, staff (as customers) and the school.
- Tendered contracts for the clinical professional services based in the school were thoroughly tendered for, independently peer reviewed using a therapist based at a special school, along with Trustees and that the offer within the school allowed for the meeting of clinical and health needs of the pupils, thus reducing the pull of financial resources to meet the complexity of needs within the pupil population – for example school occupational therapy support has been externally assessed and recognised to meet the same need as a private provider.
- Building on the strengths of staff within the school to take on roles and responsibilities which are dynamic and meet the emerging needs of the school and individual pupils; for example, altering the staffing structure based on regular skills audit.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Wherry School Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 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 WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed Dale Coleman, a Trustee, to carry out a programme of internal checks.

The Trustees have also sought to purchase further financial assistance from Price Bailey (Accountants and Auditors) to support the preparation of monthly business reporting, alongside the school Business Administrator and Accounting Officer (Principal), as well as the Local Authority financial assistants who have supported the management of the budgeting and purchasing software, through a package of support from Norfolk LA (Educator Solutions).

Review of effectiveness

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


- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the reviewer;
- the work of the external auditors;
- 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 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 December 2020 and signed on their behalf by:



Barry Payne (Dec 21, 2020, 9:51am)
Barry Payne
Chair of Trustees



Rachel Quick (Dec 21, 2020, 12:21pm)
Rachel Quick
Accounting Officer

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Wherry School Trust I have considered my responsibility to notify the academy trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy 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 2019.

I confirm that I and the academy trust board of Trustees are able to identify any material irregular or improper use of all 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 2019.

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.

Rachel Quick

Rachel Quick (Dec 21, 2020, 12:21pm)

Rachel Quick

Accounting Officer

Date:

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 15 December 2020 and signed on its behalf by:



Barry Payne (Dec 21, 2020, 9:51am)

Barry Payne
Chair of Trustees

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WHERRY SCHOOL TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

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

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 Auditors' Report thereon. Other information includes the Trustees' Report (including the Strategic Report and Directors' Report), the Governance Statement and the Accounting Officer's Statement. 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.

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

Matters on which we are required to report by exception

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

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

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

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the academy trust'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 trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

John Warren BSc FCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Reporting Accountant

Anglia House, 6 Central Avenue

St Andrews Business Park

Thorpe St Andrew

Norwich

Norfolk

NR7 0HR

21 December 2020

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 30 July 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Wherry School Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Wherry School Trust's funding agreement with the Secretary of State for Education dated 20 September 2016 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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.

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance;
- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities;
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity, propriety and compliance;
- Discussions with and representations from the Accounting Officer and other key management personnel;
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Price Bailey LLP
Chartered Accountants
Statutory Auditors
Reporting Accountant
Anglia House, 6 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

Date: 21 December 2020

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

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

| | Note | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 4 | - | 2,798 | 26,420 | 29,218 | 54,291 |
| Charitable activities | 5 | 5,344 | 2,540,675 | - | 2,546,019 | 2,089,245 |
| Other trading activities | 6 | 5,317 | 1,464 | - | 6,781 | 9,122 |
| Investments | 7 | 182 | - | - | 182 | 189 |
| Total income | | 10,843 | 2,544,937 | 26,420 | 2,582,200 | 2,152,847 |
| Expenditure on: | | | | | | |
| Charitable activities | 8 | 10,661 | 2,667,626 | 248,843 | 2,927,130 | 2,381,547 |
| Total expenditure | | 10,661 | 2,667,626 | 248,843 | 2,927,130 | 2,381,547 |
| Net income/ (expenditure) | | 182 | (122,689) | (222,423) | (344,930) | (228,700) |
| Transfers between funds | 17 | - | (13,281) | 13,281 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 182 | (135,970) | (209,142) | (344,930) | (228,700) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 23 | - | (110,000) | - | (110,000) | (88,000) |
| Net movement in funds | | 182 | (245,970) | (209,142) | (454,930) | (316,700) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 758 | (11,157) | 7,023,835 | 7,013,436 | 7,330,136 |
| Net movement in funds | | 182 | (245,970) | (209,142) | (454,930) | (316,700) |
| Total funds carried forward | | 940 | (257,127) | 6,814,693 | 6,558,506 | 7,013,436 |

The notes on pages 26 to 49 form part of these financial statements.

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09255088

BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 6,814,693 | 6,997,285 |
| | | <u>6,814,693</u> | <u>6,997,285</u> |
| Current assets | | | |
| Debtors | 15 | 32,832 | 43,093 |
| Cash at bank and in hand | | 444,712 | 360,709 |
| | | <u>477,544</u> | <u>403,802</u> |
| Creditors: amounts falling due within one year | 16 | (136,731) | (66,651) |
| Net current assets | | <u>340,813</u> | <u>337,151</u> |
| Total assets less current liabilities | | <u>7,155,506</u> | <u>7,334,436</u> |
| Net assets excluding pension liability | | <u>7,155,506</u> | <u>7,334,436</u> |
| Defined benefit pension scheme liability | 23 | (597,000) | (321,000) |
| Total net assets | | <u><u>6,558,506</u></u> | <u><u>7,013,436</u></u> |
| Funds of the academy trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 17 | 6,814,693 | 7,023,835 |
| Restricted income funds | 17 | 339,873 | 309,843 |
| | | <u>7,154,566</u> | <u>7,333,678</u> |
| Restricted funds excluding pension reserve | 17 | 7,154,566 | 7,333,678 |
| Pension reserve | 17 | (597,000) | (321,000) |
| Total restricted funds | 17 | <u>6,557,566</u> | <u>7,012,678</u> |
| Unrestricted income funds | 17 | 940 | 758 |
| Total funds | | <u><u>6,558,506</u></u> | <u><u>7,013,436</u></u> |

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on 15 December 2020 and are signed on their behalf, by:



Barry Payne (Dec 21, 2020, 9:51am)

Barry Payne

Chair of Trustees

The notes on pages 26 to 49 form part of these financial statements.

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|---|--------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | 138,137 | 81,016 |
| Cash flows from investing activities | 20 | (54,134) | (52,104) |
| Change in cash and cash equivalents in the year | | 84,003 | 28,912 |
| Cash and cash equivalents at the beginning of the year | | 360,709 | 331,797 |
| Cash and cash equivalents at the end of the year | 21, 22 | <u>444,712</u> | <u>360,709</u> |

The notes on pages 26 to 49 form part of these financial statements

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

The Wherry School Trust is a private company limited by guarantee incorporated in England and Wales under the Companies Act 2006. The address of its registered office is The Wherry School, 280 Hall Road, Norwich, Norfolk, NR1 2GB.

The financial statements are presented in pounds sterling, which is the functional currency of the company, and rounded to the nearest pound.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust 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.

Following the year end the Academy Trust has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Academy Trust derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Academy Trust were not able to continue as a going concern.

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 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 year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

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 Capital Grants' 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.

2.4 Interest receivable

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

2.5 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.

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.5 Expenditure (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.

All resources expended are inclusive of irrecoverable VAT.

2.6 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 Part 11, chapter 3 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.

2.7 Tangible fixed assets

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

| | |
|-------------------------|-------------------|
| Freehold buildings | - 2% |
| Freehold land | - not depreciated |
| Furniture and equipment | - 25% |
| Computer equipment | - 20% |

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

2.8 Debtors

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

THE WHERRY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

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

2.11 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 bases 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. 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.

2.12 Operating leases

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.13 Pensions

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 so as 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

2.14 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 the funders where the asset acquired or created is held for a specific purpose.

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

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3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2020. 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.

There were no judgments used in the preparation of the financial statements.

4. Income from donations and capital grants

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|-----------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Other donations | - | 2,798 | 14,485 | 17,283 | 41,439 |
| Capital Grants | - | - | 11,935 | 11,935 | 12,852 |
| | - | 2,798 | 26,420 | 29,218 | 54,291 |
| Total 2019 | 286 | 5,493 | 48,512 | 54,291 | |

In 2019, total donations were £41,439, of which £286 was unrestricted income, £5,493 was restricted income and £35,660 was restricted fixed asset income.

In 2019, capital grants totaled £12,852 and related solely to the fixed asset fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Funding for the academy trust's provision of education

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant (GAG) | - | 800,000 | 800,000 | 657,000 |
| Other Dfe/EFA grants | - | 108,822 | 108,822 | 47,152 |
| | - | 908,822 | 908,822 | 704,152 |
| Other government grants | | | | |
| Local authority grants | - | 1,628,917 | 1,628,917 | 1,364,998 |
| | - | 1,628,917 | 1,628,917 | 1,364,998 |
| Other income from educational operations | | | | |
| Other income for educational activities | - | 2,936 | 2,936 | 15,132 |
| Catering income from pupils | 5,344 | - | 5,344 | 4,963 |
| | 5,344 | 2,936 | 8,280 | 20,095 |
| | 5,344 | 2,540,675 | 2,546,019 | 2,089,245 |
| Total 2019 | 4,963 | 2,084,282 | 2,089,245 | |

In 2019, all income from educational operations was restricted, with the exception of £4,963 of catering income from pupils which was unrestricted.

6. Income from other trading activities

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|----------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Catering income from staff | 5,317 | - | 5,317 | 7,139 |
| Other trading income | - | 1,464 | 1,464 | 1,983 |
| | 5,317 | 1,464 | 6,781 | 9,122 |
| Total 2019 | 9,122 | - | 9,122 | |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Investment income

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | 182 | 182 | 189 |
| | <u>182</u> | <u>182</u> | <u>189</u> |
| Total 2019 | <u>189</u> | <u>189</u> | |

8. Expenditure

| | Staff Costs 2020 £ | Premises 2020 £ | Other 2020 £ | Total 2020 £ | Total 2019 £ |
|-------------------------|--------------------------|-----------------------|--------------------|--------------------|--------------------|
| Provision of Education: | | | | | |
| Direct costs | 2,011,910 | - | 72,297 | 2,084,207 | 1,619,984 |
| Support costs | 112,193 | 82,019 | 648,711 | 842,923 | 761,563 |
| | <u>2,124,103</u> | <u>82,019</u> | <u>721,008</u> | <u>2,927,130</u> | <u>2,381,547</u> |
| Total 2019 | <u>1,640,212</u> | <u>187,814</u> | <u>553,521</u> | <u>2,381,547</u> | |

In 2020, expenditure totalling £10,661 is unrestricted (2019: £14,347), £2,667,626 is restricted (2019: £2,130,631) and £248,843 relates to the restricted fixed asset fund (2019: £236,570).

In 2019, included within direct costs were £1,540,179 of staff costs and £79,805 of other costs.

In 2019, included within support costs were £100,033 of staff costs, £187,814 of premises costs and £473,716 of other costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Charitable Activities

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Direct costs - educational operations | 2,084,207 | 1,619,984 |
| Support costs - educational operations | 842,923 | 761,563 |
| | <u>2,927,130</u> | <u>2,381,547</u> |

Analysis of support costs

| | 2020 £ | 2019 £ |
|-----------------------------|----------------|----------------|
| Support staff costs | 112,193 | 100,033 |
| Depreciation | 248,843 | 236,570 |
| Technology costs | 39,354 | 25,987 |
| Premises costs | 82,019 | 52,748 |
| Legal costs - on conversion | - | - |
| Legal costs - other | - | 12 |
| Other support costs | 354,084 | 334,678 |
| Governance costs | 6,430 | 11,535 |
| | <u>842,923</u> | <u>761,563</u> |

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2020 £ | 2019 £ |
|---------------------------------------|----------------|----------------|
| Operating lease rentals | 2,832 | 2,891 |
| Depreciation of tangible fixed assets | 248,843 | 236,570 |
| Fees paid to auditors for: | | |
| - audit | 6,430 | 6,245 |
| - other services | 15,285 | 17,215 |
| | <u>161,390</u> | <u>162,921</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2020 £ | 2019 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,518,216 | 1,253,428 |
| Social security costs | 126,633 | 106,084 |
| Pension costs | 479,254 | 280,700 |
| | <u>2,124,103</u> | <u>1,640,212</u> |

b. Staff numbers

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

| | 2020 No. | 2019 No. |
|----------------------------|-------------|-------------|
| Teaching | 19 | 15 |
| Administration and support | 48 | 37 |
| Management | 3 | 4 |
| | <u>70</u> | <u>56</u> |

c. Higher paid staff

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

| | 2020 No. | 2019 No. |
|-------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 1 | 1 |
| In the band £70,001 - £80,000 | - | 1 |
| In the band £80,001 - £90,000 | 1 | - |
| | <u>1</u> | <u>-</u> |

d. 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 £283,103 (2019: £246,825). Included within this figure are employer national insurance contributions totalling £24,891 (2019: £22,914) and employer pension contributions totalling £49,401 (2019: £31,812).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an 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. The value of Trustees' remuneration and other benefits was as follows:

| | | 2020 £ | 2019 £ |
|----------------------------|----------------------------|-----------------|-----------------|
| Rachel Quick, Principal | Remuneration | 85,000 - 90,000 | 75,000 - 80,000 |
| | Pension contributions paid | 20,000 - 25,000 | 10,000 - 15,000 |
| Victoria McKenzie, Teacher | Remuneration | 40,000 - 45,000 | 5,000 - 10,000 |
| | Pension contributions paid | 5,000 - 10,000 | 0 - 5,000 |

During the year, retirement benefits were accruing to 2 Trustees (2019 - 2) in respect of defined contribution pension schemes.

During the year ended 31 August 2020, expenses totaling £2,215 were reimbursed or paid directly to 3 Trustees (2019: £1,386 to 2 Trustees) for mileage costs and free school meal vouchers.

13. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Tangible fixed assets

| | Freehold land and buildings £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|--------------------------|-------------------------------------|---------------------------------|----------------------------|------------|
| Cost or valuation | | | | |
| At 1 September 2019 | 6,974,972 | 300,253 | 139,531 | 7,414,756 |
| Additions | - | 42,049 | 24,202 | 66,251 |
| At 31 August 2020 | 6,974,972 | 342,302 | 163,733 | 7,481,007 |
| Depreciation | | | | |
| At 1 September 2019 | 270,693 | 95,120 | 51,658 | 417,471 |
| Charge for the year | 135,066 | 82,935 | 30,842 | 248,843 |
| At 31 August 2020 | 405,759 | 178,055 | 82,500 | 666,314 |
| Net book value | | | | |
| At 31 August 2020 | 6,569,213 | 164,247 | 81,233 | 6,814,693 |
| At 31 August 2019 | 6,704,279 | 205,133 | 87,873 | 6,997,285 |

15. Debtors

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Due within one year | | |
| Trade debtors | 260 | 8,302 |
| Other debtors | 72 | 587 |
| Prepayments and accrued income | 8,062 | 17,895 |
| VAT recoverable | 24,438 | 16,309 |
| | 32,832 | 43,093 |

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NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|---------------|
| Trade creditors | 36,674 | 12,523 |
| Other taxation and social security | 29,689 | 29,882 |
| Other creditors | 36,821 | - |
| Accruals and deferred income | 33,547 | 24,246 |
| | <u>136,731</u> | <u>66,651</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|-------------------------------------|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | 758 | 10,843 | (10,661) | - | - | 940 |
| Restricted general funds | | | | | | |
| Other government grants | - | 1,628,917 | (1,628,917) | - | - | - |
| General Annual Grant (GAG) | 309,843 | 800,000 | (756,689) | (13,281) | - | 339,873 |
| Pupil Premium | - | 37,964 | (37,964) | - | - | - |
| Other DfE/ESFA grants | - | 70,858 | (70,858) | - | - | - |
| Other restricted | - | 7,198 | (7,198) | - | - | - |
| Pension reserve | (321,000) | - | (166,000) | - | (110,000) | (597,000) |
| | <u>(11,157)</u> | <u>2,544,937</u> | <u>(2,667,626)</u> | <u>(13,281)</u> | <u>(110,000)</u> | <u>(257,127)</u> |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Assets | 6,959,832 | - | (235,837) | 66,251 | - | 6,790,246 |
| DfE/ESFA capital grants | - | 11,935 | - | (11,935) | - | - |
| Fixed asset donations | 26,550 | 14,485 | - | (41,035) | - | - |
| Capital Expenditure from GAG | 37,453 | - | (13,006) | - | - | 24,447 |
| | <u>7,023,835</u> | <u>26,420</u> | <u>(248,843)</u> | <u>13,281</u> | <u>-</u> | <u>6,814,693</u> |
| Total Restricted funds | <u>7,012,678</u> | <u>2,571,357</u> | <u>(2,916,469)</u> | <u>-</u> | <u>(110,000)</u> | <u>6,557,566</u> |
| Total funds | <u><u>7,013,436</u></u> | <u><u>2,582,200</u></u> | <u><u>(2,927,130)</u></u> | <u><u>-</u></u> | <u><u>(110,000)</u></u> | <u><u>6,558,506</u></u> |

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

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FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

Unrestricted funds

This fund represents income and expenditure which are not restricted in any way and can be used freely to achieve the academy trust's objectives.

GAG

This represents funding from the ESFA to cover the costs of recurrent expenditure.

The transfer from GAG relates to the contribution from GAG funding towards the purchase of capital assets during the period.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Pupil Premium

This represents funding to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other DfE/ESFA Grants

This represents PE and Sports Grants, Year 7 catch up grants and Universal Infant Free School Meals.

Other Government Grants

This represents other funding from the government towards the provision of education.

Other Restricted

This represents funding received from other bodies towards a specific purpose, including funding towards exams and other miscellaneous activities.

Pension Reserve

This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from a state controlled school. The restricted pension fund is materially in deficit and plans to eliminate the liability on the defined pension scheme are set out in note 23 based on the period end valuation.

Restricted Fixed Asset Fund

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a specific purpose. Income in this fund in the period is in respect of DfE capital grants and capital donations.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2019 £ |
|-------------------------------------|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | 545 | 14,560 | (14,347) | - | - | 758 |
| Restricted general funds | | | | | | |
| Other government grants | 326,076 | 1,364,998 | (1,691,074) | - | - | - |
| General Annual Grant (GAG) | - | 657,000 | (304,779) | (42,378) | - | 309,843 |
| Pupil Premium | - | 25,125 | (25,125) | - | - | - |
| Other DfE/ESFA grants | - | 22,027 | (22,027) | - | - | - |
| Other restricted | - | 20,625 | (20,625) | - | - | - |
| Pension reserve | (166,000) | - | (67,000) | - | (88,000) | (321,000) |
| | 160,076 | 2,089,775 | (2,130,630) | (42,378) | (88,000) | (11,157) |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Assets | 7,163,979 | - | (226,109) | 21,962 | - | 6,959,832 |
| DfE/ESFA capital grants | - | 12,852 | - | (12,852) | - | - |
| Fixed asset donations | - | 35,660 | - | (9,110) | - | 26,550 |
| Capital Expenditure from GAG | 5,536 | - | (10,461) | 42,378 | - | 37,453 |
| | 7,169,515 | 48,512 | (236,570) | 42,378 | - | 7,023,835 |
| Total Restricted funds | 7,329,591 | 2,138,287 | (2,367,200) | - | (88,000) | 7,012,678 |

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 6,814,693 | 6,814,693 |
| Current assets | 940 | 476,604 | - | 477,544 |
| Creditors due within one year | - | (136,731) | - | (136,731) |
| Provisions for liabilities and charges | - | (597,000) | - | (597,000) |
| Total | 940 | (257,127) | 6,814,693 | 6,558,506 |

Analysis of net assets between funds - prior period

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | 1 | - | 6,997,284 | 6,997,285 |
| Current assets | 757 | 376,494 | 26,551 | 403,802 |
| Creditors due within one year | - | (66,651) | - | (66,651) |
| Provisions for liabilities and charges | - | (321,000) | - | (321,000) |
| Total | 758 | (11,157) | 7,023,835 | 7,013,436 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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

| | 2020 £ | 2019 £ |
|---|----------------|---------------|
| Net expenditure for the period (as per Statement of Financial Activities) | (344,930) | (228,700) |
| Adjustments for: | | |
| Depreciation | 248,843 | 236,570 |
| Capital grants from DfE and other capital income | (11,935) | (12,852) |
| Defined benefit pension scheme cost | 301,000 | 172,000 |
| Defined benefit pension scheme contributions payable | (135,000) | (105,000) |
| Decrease in debtors | 10,261 | 19,522 |
| Increase/(decrease) in creditors | 70,080 | (335) |
| Bank interest received | (182) | (189) |
| Net cash provided by operating activities | 138,137 | 81,016 |

20. Cash flows from investing activities

| | 2020 £ | 2019 £ |
|--|-----------------|-----------------|
| Bank interest | 182 | 189 |
| Purchase of tangible fixed assets | (66,251) | (211,032) |
| Capital grants from DfE Group and other capital income | 11,935 | 158,739 |
| Net cash used in investing activities | (54,134) | (52,104) |

21. Analysis of cash and cash equivalents

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Cash at bank | 444,712 | 360,709 |
| Total cash and cash equivalents | 444,712 | 360,709 |

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 360,709 | 84,003 | 444,712 |
| | <u>360,709</u> | <u>84,003</u> | <u>444,712</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments

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 Norfolk County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £36,821 were payable to the schemes at 31 August 2020 (2019 - £Nil) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £193,695 (2019 - £113,700).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy 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.

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23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £172,000 (2019 - £134,000), of which employer's contributions totalled £135,000 (2019 - £105,000) and employees' contributions totalled £37,000 (2019 - £29,000). The agreed contribution rates for future years is 16.9 per cent for employers plus an additional deficit contribution of £20,000 to March 2021, £17,000 to March 2022 and £15,000 to March 2023. The agreed contributions rates for future years are between 5.5 - 12.5 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

| | 2020 % | 2019 % |
|--|-----------|-----------|
| Rate of increase in salaries | 2.90 | 2.60 |
| Rate of increase for pensions in payment/inflation | 2.20 | 2.30 |
| Discount rate for scheme liabilities | 1.70 | 1.80 |
| Commutation of pensions to lump sums | 50 | 50 |

The commutation rate of 50% relates to pre April 2008 service and increased to 75% for post April 2008 service.

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

| | 2020 Years | 2019 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| Males | 21.7 | 21.1 |
| Females | 23.9 | 23.5 |
| Retiring in 20 years | | |
| Males | 22.8 | 22.4 |
| Females | 25.5 | 25 |

As at the 31 August 2020 the Trust had a pension liability of £597,000 (2019 - £321,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way;

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23. Pension commitments (continued)

Sensitivity analysis

| | 2020 £000 | 2019 £000 |
|--|--------------|--------------|
| Discount rate +0.5% | (40,176) | (14,760) |
| Discount rate -0.5% | 40,176 | 14,760 |
| Mortality assumption - 1 year increase | - | 4,920 |
| Mortality assumption - 1 year decrease | - | (4,920) |
| CPI rate +0.5% | 40,176 | 13,530 |
| CPI rate -0.5% | (40,176) | (13,530) |

Share of scheme assets

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

| | 2020 £ | 2019 £ |
|-------------------------------------|----------------|----------------|
| Equities | 259,000 | 144,000 |
| Bonds | 182,000 | 106,000 |
| Property | 57,000 | 35,000 |
| Cash | 21,000 | 9,000 |
| Total market value of assets | 519,000 | 294,000 |

The actual return on scheme assets was £53,000 (2019 - £12,000).

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

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Current service cost | (294,000) | (165,000) |
| Past service cost | - | (2,000) |
| Interest income | 7,000 | 6,000 |
| Interest cost | (14,000) | (11,000) |
| Total amount recognised in the Statement of Financial Activities | (301,000) | (172,000) |

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23. Pension commitments (continued)

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

| | 2020 £ | 2019 £ |
|------------------------|------------------|----------------|
| At 1 September | 615,000 | 314,000 |
| Current service cost | 294,000 | 165,000 |
| Interest cost | 14,000 | 11,000 |
| Employee contributions | 37,000 | 29,000 |
| Actuarial losses | 156,000 | 94,000 |
| Past service costs | - | 2,000 |
| At 31 August | <u>1,116,000</u> | <u>615,000</u> |

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

| | 2020 £ | 2019 £ |
|------------------------|----------------|----------------|
| At 1 September | 294,000 | 148,000 |
| Interest income | 7,000 | 6,000 |
| Actuarial gains | 46,000 | 6,000 |
| Employer contributions | 135,000 | 105,000 |
| Employee contributions | 37,000 | 29,000 |
| At 31 August | <u>519,000</u> | <u>294,000</u> |

24. Operating lease commitments

At 31 August 2020 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2020 £ | 2019 £ |
|--|------------|--------------|
| Not later than 1 year | 176 | 2,891 |
| Later than 1 year and not later than 5 years | - | 176 |
| | <u>176</u> | <u>3,067</u> |

25. Members' liability

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

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26. Related party transactions

The Wherry School Trust received income from The Wherry Friends Association of £14,966 (2019: £48,109) who fundraise on behalf of The Wherry School Trust. The amount due to the trust at 31 August 2020 is £Nil (2019: £48,109).

Brian Conway (Trustee) is also the CEO and Trustee of St John the Baptist Catholic Multi Academy Trust, of which Notre Dame High School is a school within this Trust. During the year, an employee of The Wherry School Trust, undertook a course at Notre Dame High School. The cost of this course was £295 (2019: £Nil). There was no balance due at the year end.