

Company Registration Number: 09433068 (England & Wales)

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Ms Naomi Holloway Mrs Katherine Byrne Mr Sam Mountford Mr Nigel Fletcher Mrs Abby Westell
Trustees	Ms Naomi Holloway, Chair Mrs Katherine Byrne (resigned 31 October 2021) Mrs Deborah Mills Mrs Sarah Wood Mrs Philippa Moore, Headteacher Mr Sam Mountford Mrs Abby Westell Mr Nigel Fletcher Mrs Debra Price Mrs Karen Poole Mr Sotirios Adamopoulos Mrs Lesley Stevens Mr Gregory Foreman (appointed 15 December 2020) Miss Hannah Milne (appointed 26 November 2020)
Company registered number	09433068
Company name	Windhill Academy Trust
Registered and principal office	Windhill School Windhill Bishop's Stortford Hertfordshire CM23 2NE
Chief Executive Officer	Mrs Philippa Moore
Senior Leadership Team	Philippa Moore, Headteacher Debra Price, Deputy Headteacher Sarah Wood, Deputy Headteacher Chloe Myers, Coaching and Mentoring Leader Deborah Mills, Business Manager Hellie Mann, SENCO Sarah Pyne, Senior Teacher Rebecca Hall, Senior Teacher Geraldine Stevens, Pastoral Lead
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

WINDHILL ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Windhill Academy Trust (the Academy, the Trust or the Charitable Company) for the year ended 31 August 2021. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an academy school for pupils aged 4 - 11 serving a catchment area of Bishop's Stortford. It has a pupil capacity of 450 for Reception to Year 6 and had a roll of 458 in the autumn 2020 school census. (This included the pupils in the 'bulge' class who were admitted from September 2014 and who will remain on roll throughout their primary education until summer 2021). In addition, we have a nursery with a pupil capacity of 60 and had a roll of 35 in the autumn 2020 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Windhill21.

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

Members' Liability

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

Trustees and Officers' Indemnities

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust 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.

Method of Recruitment and Appointment or Election of Trustees

Members of the Trust are responsible for appointing Trustees. All prospective Trustees are expected to demonstrate a commitment to the governance and continuing improvement of the Trust.

Trustees are appointed in accordance with the Trust's Articles of Association (sections 50 to 59) and the Funding Agreement.

Trustees are appointed for a fixed term of four years. The Headteacher is an ex officio member of the Board of Trustees. Parent trustees and the staff trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 13 Trustees:

- 2 Parent Trustees
- 2 Staff Trustees (Headteacher plus a member of the teaching staff)
- 9 co-opted Trustees

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Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust is committed to providing adequate opportunities for Trustees to undertake and receive suitable training to enable them to perform their role effectively. To this end, the Trust provides an internal programme continued professional development led by School staff and links with a number of local training providers.

All new Trustees will receive an induction to the role, according to their need, which may include introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and the Headteacher.

All Trustees are provided with the following:

- Governor Handbook.
- Policies and procedure documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.
- Welcome email from Chair of Trustees.
- Opportunities for relevant training, depending on experience. Our training providers are Herts for Learning, Balance Education and The National College online learning courses.

All Trustees are offered training and development opportunities to ensure that their knowledge and skills are kept up to date and in line with current regulations and legislation. In addition, Trustees with specific responsibilities (e.g. safeguarding, SEND and health and safety) are provided with appropriate training to enable them to fulfil their duties. The Board of Trustees is a member of the National Governors' Association.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education. The Board of Trustees, which meets on at least six occasions per year and each individual committee at least three times per year, is responsible for the strategic direction of the Trust. The Board of Trustees 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 Headteacher with an external adviser, and reviews them regularly.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

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

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust. The 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 the level of experience of each staff member. In addition, 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 the pay and remuneration of key management personnel are approved by the appropriate committee and ratified by the Board of Trustees.

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Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust'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, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required.

The Trust co-operated with the following organisations during the academic year in pursuit of its charitable activities:

- East and North Hertfordshire NHS
- East Hertfordshire District Council
- Hertfordshire County Council
- Hertfordshire County Council – Local Government Pension Scheme.
- Hertfordshire and Essex High School
- Rivers Multi Academy Trust
- Bishop's Stortford Educational Trust

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 4 and 11.

Objectives, Strategies and Activities

During the year the Trustees have worked towards these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, teaching and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory, curriculum and child care requirements;
- conducting the Academy's business in accordance with the highest standards of integrity; and
- looking at the skill set within the current Board of Trustees and actively recruiting new Trustees who complement the existing skill base.

Our success in fulfilling our aims can be measured by:

- School self-evaluation form
- School improvement plan review
- Governing Board and Committee minutes
- Trustee monitoring visits
- OFSTED Inspection Report – October 2018
- Financial monitoring and audit reports
- Staff and parent questionnaires
- Pupil voice (e.g. via pupil forum meetings)
- Feedback from visitors

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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 regard to the guidance on public benefit published by the Charity Commission.

Trade Union Facility Time

The Trust had no employees who acted as union officials during the year.

STRATEGIC REPORT

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- Maintained numbers on roll, with a significant number of parents choosing Windhill21 as their first choice. There are waiting lists in the majority year groups and the school exceeds the published admission number in some classes throughout KS2.
- Recruiting and retaining quality staff in a climate where recruitment remains extremely challenging. Despite the recruitment crisis and maternity, we have been able to maintain an excellent teaching profile.
- Pupil Attendance - Full year attendance figures for our Reception to year 6 pupils for 2020/2021 was recorded at 97.0%. However, due to the pandemic, there are no national attendance figures published for comparative purposes. The School's figures are comparable to the previous years.
- Our COVID protocols resulted in year group bubbles only having to isolate on four occasions between the January 2021 and July 2021 when the Secretary of State requested that primary schools remain open.
- Birchwood Sports Partnership achievements 2020/21:
 - 2nd place Rapid Fire Cricket Virtual County Finals (years 3 and 4)
 - 1st place Virtual SportsHall Athletics (year 3, 4, 5 and 6)
 - 1st place Virtual Fitness (years 3, 4, 5 and 6)
- Running a Sports Day (summer 2021)
- Supporting the Envision Peer Review Programme (developed in association with the Educational Development Trust) through refresher training for current peer reviewers and improvement champions and also providing training for new peer reviewers and improvement champions. This assists the cycle of self-review due to re-introduced in the autumn 2021.
- Provision of a programme of wider curriculum opportunities for all year groups after returning from lockdown in the summer term including, but not limited to:
 - World history week
 - Visits from Retune to support pupils' mental health and well-being
 - Visit from a local farm
 - Graffiti workshop
 - Year 6 production

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Whole School Results – 2020/21

In January 2021, the Secretary of State for Education announced the cancellation of 2020/21 national curriculum assessments due to the coronavirus (COVID-19) pandemic.

As a result, the following assessments planned between April and July 2021 were cancelled:

- End of key stage 1 and key stage 2 assessments (including tests and teacher assessment);
- Phonics screening check;
- Multiplication tables check;
- Science sampling tests;
- All statutory trialling.

Key Performance Indicators

The Trustees receive regular information at each Committee meeting to enable them to monitor the performance of the School compared to Trust's aims, strategic plans and the financial budgets.

The Key Performance Indicators for 2020/21 are reflected across the following areas included in the School Improvement Plan:

- Quality of education;
- Behaviour and attitudes;
- Personal Development;
- Leadership and management;
- Early years.

The priorities have been monitored throughout the year by the Trustees in the following ways:

- Regular review of the Trustees' Monitoring Plan;
- Active questioning;
- Termly Headteacher's reports;
- Receipt of regular reports re pupil premium and pupil performance;
- Monitoring visits;
- Monitoring of progress against the School Improvement Plan; and
- Monthly financial monitoring reports.

Trustees review the progress and impact made against the KPIs and School Improvement Plan on a termly basis and agreed a new monitoring programme designed to:

- SIMPLIFY Governing Board activity monitoring, reporting and support the School Improvement Plan;
- Create FOCUS for the Governing Board on key areas of development;
- Improve VISIBILITY of the results of the improvement and simplify ACCOUNTABILITY in order that Trustees are clear where interventions are required.

This will be implemented from the start of the new academic year.

Going Concern

After making appropriate enquiries, 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.

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Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2021 the Trust received a General Annual Grant of £1,698,100. A high percentage of this income is spent on salaries and support costs to deliver the Trust's primary objective of the provision of education.

During the year the Trust spent £2,565,042 (excluding depreciation) and transferred £12,564 in relation to fixed assets purchased from GAG. The Trust brought forward (excluding pensions and fixed assets) from 19/20, £407,121 unrestricted funding. The carry forward for 20/21 is £0 restricted funding (excluding pensions and fixed assets), and £506,855 of unrestricted funding. These figures represent a strong surplus in a period where operational costs have been reduced. The Governing Board will continue to review the School's staffing structure and is aware that structural changes may be needed over the next three years to ensure reserves are not significantly depleted.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,519,000. 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.

The net impact of COVID-19 to 31 August 2021 was an estimated loss of approximately £33,000. This was the net result of additional expenditure (PPE, premises costs, cleaning materials, additional staffing costs etc), a reduction in income (cancelled lettings and nursery sessions etc) and savings (fuel, resources etc).

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 Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a 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 £506,855. This has been built up from a combination of locally raised income and balances transferred from the predecessor school.

The Trust always plans to have a carry forward equivalent to 2% of grant income to assist the Trustees in making strategic decisions to keep in line with national funding changes and curriculum needs.

The Trust's year-end balance on restricted general funds (excluding pension reserve) plus unrestricted funds was £506,855.

The cash balance of the Trust has been healthy all year, ending the year with a balance of £690,155.

Investment Policy

An Investment Policy was last approved by the Board of Trustees in February 2021. The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

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Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust 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 Resources Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust 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 Trust, 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 principal risks and uncertainties facing the Trust as follows:

- The Trustees recognise the adverse budgetary outlook across the public sector, and in particular education, and acknowledge the projected impact on School reserves. The Trustees are actively providing oversight with the School executive team in order to ensure a sustainable day-to-day structure and operation across the 3-year horizons.
- The Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management. The risk in this area arises from potential failure to effectively manage the Trust'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 pupils in sufficient numbers by maintaining the highest educational standards. In order to mitigate this risk, Trustees ensure that pupil 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 Trust 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.
- Fraud and mismanagement of funds. The Trustees have appointed an Internal Auditor to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. Finance staff receive training in order to keep up to date with financial practice requirements and develop their skills in this area.
- 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.
- 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.
- COVID-19 pandemic. Throughout the national pandemic, the Trust continued to deliver high-quality learning whether a child is at home or in School. The Trust was committed to staying in contact with parents, carers and children to support (remotely) their needs. In addition, the Academy provided a comprehensive and aspirational offer for the children of key workers in School throughout the lockdown periods.

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

Fundraising

The Trust only held small fundraising events during the year in addition to minor events to raise funds for donating to charities. 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. The fund-raising events of the Windhill School Association were significantly affected throughout 2020/21 as a direct result of the COVID-19 pandemic.

Plans for Future Periods

The aims and key objectives set for 2021/22, together with details of the activities planned to achieve them are detailed in the School Improvement Plan. The key performance objectives are:

1. Quality of Education:
 - To develop writing to engage and raise standards;
 - To swiftly identify and support area to develop through a COVID catch-up programme to narrow the COVID academic gap.
2. Behaviours and Attitudes:
 - To support pupils to positively engage with a healthy mindset.
3. Leadership and Management:
 - To develop a cohesive and crafted in-house CPD programme to develop all staff;
 - To review the curriculum to ensure it reflects the profile of our learners and reflects and addresses current issues.
4. Personal Development:
 - To develop an understanding of a healthy lifestyle;
5. Early Years:
 - To develop writing to engage and raise standards;
 - To ensure outside provision is of the highest quality;
 - To ensure high quality teaching and learning.

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held on behalf of others.

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Auditor

Insofar as the Trustees are aware:

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

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to reappoint them for the current financial year was proposed and agreed at the Annual meeting held by the Members.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees, on 21 Dec 2021 and signed on its behalf by:

Naomi Holloway

Ms Naomi Holloway (23 Dec 2021, 10:14am)
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Windhill Academy 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Windhill Academy 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 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Ms Naomi Holloway, Chair	6	6
Mrs Katherine Byrne	5	6
Mrs Deborah Mills	6	6
Mrs Sarah Wood	6	6
Mrs Philippa Moore, Headteacher	6	6
Mr Sam Mountford	6	6
Mrs Abby Westell	6	6
Mr Nigel Fletcher	5	6
Mrs Debra Price	5	6
Mrs Karen Poole	5	6
Mr Sotirios Adamopoulos	4	6
Mrs Lesley Stevens	5	6
Mr Gregory Foreman	4	4
Miss Hannah Milne	5	6

Review of year:

Key changes in composition of the Board of Trustees during the year include:

- Naomi Holloway remained Chair of Governors
- Two new trustees appointed mid-year:
 - Hannah Milne
 - Greg Foreman
- There were no mid-year resignations from trustees
- Kate Townsend was appointed as Clerk to Governors mid-year following the resignation of our previous clerk.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance reviews:

Due to COVID restrictions, the annual Governor Day took place in two parts this year – one in June 2021 via Zoom and the second in July 2021 where Governors met face to face. The sessions focused on the schools mission and vision, school improvement, self-evaluation and monitoring and effectiveness. In addition, the Governors received a presentation on multi academy trusts and discussed the DfE's document "Building Strong Academy Trusts" published in May 2021.

The Resources Committee is a sub-committee of the main Board of Trustees and is responsible for the Trust's financial reporting, accounting systems and internal controls. Its purpose is to assist the Board of Trustees in fulfilling its duties and responsibilities in relation to the financial management of the Trust. The Committee ensures that the risks of the Trust, financial and otherwise, are effectively reviewed and managed and that the annual financial statements give a true and fair view of the activities of the Trust. Full details of the Committee's remit are included in the terms of reference.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Sam Mountford	4	4
Mrs Phillipa Moore	3	3
Mrs Abby Westell	4	4
Mr Gregory Foreman	3	3
Mr Nigel Fletcher	3	4
Mrs Deborah Mills	4	4
Miss Hannah Milne	4	4

In addition, the Chair and Vice Chair of Governors continued to meet with the purpose of supporting the School leadership team with strategic decisions regarding the COVID Action Plan and monitoring against the whole School COVID risk assessment.

Review of value for money

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

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

- Continuing to share outstanding practice and providing training opportunities through collaborative work, with the Bishop's Stortford Educational Trust Teaching Schools Alliance; Envision Partnership and local schools to ensure the quality of our teaching is at least good, if not outstanding.
- Further re-organisation of the School's staffing structure to reduce salary costs whilst maximising impact on learning for:
 - Senior leadership
 - Teachers
 - Support staff.
- Maximising income generation through consultancy work and moderation visits carried out by the Headteacher, Deputy Headteacher, SENCO, Senior Teachers and School Business Leader.
- Maximising income through the offer of additional nursery sessions as part of the School's nursery provision; hirings and running activity weeks for pupils in the summer holidays.
- Successful bid for Condition Improvement Funding to replace the KS2 boiler.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ SBM Services Ltd as Internal Auditor.

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

Governance:

- The Trust Board
- Register of Business Interests
- Business Continuity
- Risk Management
- Financial Regulations
- Financial Management Skills of the Trust

Income:

- Funding Reconciliations
- Lettings
- Debt Management
- Income Collection

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

Purchasing & Creditors:

- Value for Money
- Procurement Processes
- Purchase Ledger
- Charge/ Purchase Cards
- Account Signatories & Payments

Bank & Cash:

- Bank Reconciliations
- Petty Cash
- Payment Authorisation
- Cash Flow Management

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

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

Review of effectiveness

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees and signed on their behalf by:

21 Dec 2021

Naomi Holloway

Naomi Holloway (Dec 21, 2021, 10:14am)
Ms Naomi Holloway
Chair of Trustees

P.S. Moore

Philippa Moore (Dec 21, 2021, 2:25pm)

Mrs Philippa Moore
Accounting Officer

Date:

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Philippa Moore (Dec 21, 2021, 2:25pm)

Mrs Philippa Moore
Accounting Officer

Date: 21 Dec 2021

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity 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 the Board of Trustees and signed on its behalf by:

Naomi Holloway

Naomi Holloway (Dec 21, 2021, 10:14am)

Ms Naomi Holloway
Chair of Trustees

Date: 21 Dec 2021

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WINDHILL ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Academy. We assessed details of any breaches where applicable in order to assess the impact upon the Academy.
- We have reviewed any correspondence with the ESFA / DfE and the procedures in place for the reporting of incidents to the Trustees including reporting of any serious incidents to the Regulator if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Use of our report

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

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 21 December 2021

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WINDHILL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 17 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Windhill Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Windhill Academy trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Windhill Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2015 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, 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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Price Bailey LLP

Date: 21 December 2021

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	6,455	44,044	140,530	191,029	82,489
Other trading activities	5	69,096	-	-	69,096	71,180
Investments	6	68	-	-	68	262
Charitable activities	4	66,438	2,226,126	-	2,292,564	2,121,475
Total income	7	142,057	2,270,170	140,530	2,552,757	2,275,406
Expenditure on:						
Charitable activities		42,323	2,382,606	140,113	2,565,042	2,455,089
Total expenditure		42,323	2,382,606	140,113	2,565,042	2,455,089
Net income/ (expenditure)		99,734	(112,436)	417	(12,285)	(179,683)
Transfers between funds	16	-	(12,564)	12,564	-	-
Net movement in funds before other recognised gains/(losses)		99,734	(125,000)	12,981	(12,285)	(179,683)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	23	-	(402,000)	-	(402,000)	281,000
Net movement in funds		99,734	(527,000)	12,981	(414,285)	101,317
Reconciliation of funds:						
Total funds brought forward		407,121	(992,000)	3,880,269	3,295,390	3,194,073
Net movement in funds		99,734	(527,000)	12,981	(414,285)	101,317
Total funds carried forward		506,855	(1,519,000)	3,893,250	2,881,105	3,295,390

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

The notes on pages 26 to 48 form part of these financial statements.

WINDHILL ACADEMY TRUST
REGISTERED NUMBER: 09433068
(A Company Limited by Guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	3,769,131	3,870,914
Current assets			
Debtors	13	154,005	72,493
Cash at bank and in hand		690,155	511,700
		<u>844,160</u>	<u>584,193</u>
Creditors: amounts falling due within one year	14	(174,927)	(140,720)
Net current assets		<u>669,233</u>	<u>443,473</u>
Total assets less current liabilities		<u>4,438,364</u>	<u>4,314,387</u>
Creditors: amounts falling due after more than one year	15	(38,259)	(26,997)
Net assets excluding pension liability		<u>4,400,105</u>	<u>4,287,390</u>
Defined benefit pension scheme liability	23	(1,519,000)	(992,000)
Total net assets		<u><u>2,881,105</u></u>	<u><u>3,295,390</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	3,893,250	3,880,269
Restricted funds excluding pension liability	16	3,893,250	3,880,269
Pension reserve	16	(1,519,000)	(992,000)
Total restricted funds	16	<u>2,374,250</u>	<u>2,888,269</u>
Unrestricted income funds	16	<u>506,855</u>	<u>407,121</u>
Total funds		<u><u>2,881,105</u></u>	<u><u>3,295,390</u></u>

The financial statements on pages 23 to 48 were approved by the Trustees, and authorised for issue on 21 Dec 2021 and are signed on their behalf, by:

Naomi Holloway
Ms Naomi Holloway
Naomi Holloway (Dec 21, 2021, 10:14am)
Chair of Trustees

The notes on pages 26 to 48 form part of these financial statements.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	18	70,295	41,721
Cash flows from investing activities	20	96,898	(35,955)
Cash flows from financing activities	19	11,262	(3,251)
Change in cash and cash equivalents in the year		178,455	2,515
Cash and cash equivalents at the beginning of the year		511,700	509,185
Cash and cash equivalents at the end of the year	21, 22	<u>690,155</u>	<u>511,700</u>

The notes on pages 26 to 48 form part of these financial statements

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Company status

The Academy is a Company limited by guarantee. The Members of the Company are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Academy's registered office is Windhill School, Windhill, Bishop's Stortford, Hertfordshire, CM23 2NE.

1.3 Going concern

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

The Academy 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 were not able to continue as a going concern.

1.4 Fund accounting

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

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

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.5 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

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

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's accounting policies.

1.6 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.

- **Charitable activities**

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.6 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.7 Taxation

The Academy 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 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.

1.8 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long term leasehold property	- 50 years straight line
Furniture and equipment	- 5-10 years straight line
Computer equipment	- 5 years straight line
Motor vehicles	- 5 years straight line

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

1.9 Debtors

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

1.10 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.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 15. 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.

1.13 Operating leases

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trustees make 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	6,455	44,044	7,000	57,499	76,520
Capital grants	-	-	133,530	133,530	5,969
Total 2021	<u>6,455</u>	<u>44,044</u>	<u>140,530</u>	<u>191,029</u>	<u>82,489</u>
Total 2020	<u>3,700</u>	<u>72,820</u>	<u>5,969</u>	<u>82,489</u>	

In 2020, income from donations was £76,520 of which £3,700 was unrestricted and £72,820 was restricted.

In 2020, capital grants of £5,969 were in relation to restricted fixed assets funds.

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4. Funding for the Academy's provision of education

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,698,100	1,698,100	1,595,162
Other DfE/ESFA grants				
Pupil Premium	-	84,473	84,473	82,696
UIFSM	-	69,136	69,136	61,399
Rates Relief	-	9,882	9,882	10,134
FSM Supplementary Grant	-	6,300	6,300	3,080
PE & Sports Premium	-	19,950	19,950	19,930
Teacher's Pay Grant	-	23,752	23,752	23,466
Teacher's Pension Grant	-	67,111	67,111	66,301
COVID Catch Up	-	36,160	36,160	-
	-	-	2,014,864	1,862,168
Other Government grants				
Local authority grants	-	211,262	211,262	204,601
	-	211,262	211,262	204,601
Other income from the academy trust's education operations	66,438	-	66,438	54,706
	66,438	2,226,126	2,292,564	2,121,475
Total 2020	54,706	2,066,769	2,121,475	

In 2020, income from DfE/ESFA grants was £1,862,168 of which all was restricted.

In 2020, income from other Government grants was £204,601 of which all was restricted.

In 2021, other income from the Academy's educational operations was £66,438, (2020: £54,706), £16,155 (2020: £6,683) which relates to Nursery Income, and £50,283 (2020: £48,023) which relates to catering income.

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

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FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	23,932	23,932	24,587
Other income	45,164	45,164	46,593
	<u>69,096</u>	<u>69,096</u>	<u>71,180</u>
Total 2020	<u>71,180</u>	<u>71,180</u>	

In 2020, hire of facilities was £24,587, all of which was unrestricted.

In 2020, other income was £46,493, all of which was unrestricted.

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	68	68	262
	<u>262</u>	<u>262</u>	
Total 2020	<u>262</u>	<u>262</u>	

In 2020, all investment income was in relation to unrestricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Direct costs	1,685,700	-	109,670	1,795,370	1,711,162
Support costs	264,902	80,324	424,446	769,672	743,927
	<u>1,950,602</u>	<u>80,324</u>	<u>534,116</u>	<u>2,565,042</u>	<u>2,455,089</u>
Total 2020	<u>1,824,926</u>	<u>276,212</u>	<u>353,951</u>	<u>2,455,089</u>	

In 2021, of total expenditure £42,323 (2020: £36,560) was to unrestricted funds, £2,382,606 (2020: 2,227,403) was to restricted funds, and £140,113 (2020: £191,126) was to restricted fixed asset funds.

In 2020, direct expenditure consisted of £1,568,115 staff costs and £143,047 other costs.

In 2020, support expenditure consisted of £256,811 staff costs, £276,212 premises costs and £210,904 other costs.

	2021 £	2020 £
Direct costs	1,795,370	1,711,162
Support costs	769,672	743,927
Total	<u>2,565,042</u>	<u>2,455,089</u>

	2021 £	2020 £
Analysis of support costs		
Support staff costs	264,902	256,811
Depreciation	140,113	114,794
Technology costs	10,433	19,218
Premises costs (excluding depreciation)	80,324	161,418
Other support costs	263,193	182,118
Governance costs	8,525	9,379
Legal costs	2,184	189
	<u>769,674</u>	<u>743,927</u>

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

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	140,113	114,794
Loss on disposal of fixed assets	2,065	-
Fees paid to Auditors for:		
- audit	4,610	4,475
- other services	5,070	4,930
	<u>149,848</u>	<u>124,204</u>

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,410,518	1,313,987
Social security costs	116,113	102,206
Pension costs	423,971	408,733
	<u>1,950,602</u>	<u>1,824,926</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	25	30
Administration and support	43	49
Management	5	3
	<u>73</u>	<u>82</u>

Management includes only those senior leadership members who do not have day to day teaching duties, in line with the Academies Accounts Direction 2020-21 guidance.

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9. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £80,001 - £90,000	1	1

d. Key management personnel

The key management personnel of the Academy 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 was £452,778 (2020 £436,733).

10. Trustees' remuneration and expenses

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

		2021 £	2020 £
Mrs Philippa Moore, Headteacher	Remuneration	85,000 - 90,000	80,000 - 85,000
	Pension contributions paid	20,000 - 25,000	15,000 - 20,000
Mrs Debra Price	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2021, expenses totalling £24 were reimbursed to 1 Trustee (2020 - £0).

11. Trustees' and Officers' insurance

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

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12. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	4,104,417	192,572	138,162	10,640	4,445,791
Additions	-	24,522	19,178	-	43,700
Disposals	-	(4,895)	(475)	-	(5,370)
At 31 August 2021	4,104,417	212,199	156,865	10,640	4,484,121
Depreciation					
At 1 September 2020	398,629	87,774	77,834	10,640	574,877
Charge for the year	70,562	34,166	38,690	-	143,418
On disposals	-	(2,830)	(475)	-	(3,305)
At 31 August 2021	469,191	119,110	116,049	10,640	714,990
Net book value					
At 31 August 2021	3,635,226	93,089	40,816	-	3,769,131
At 31 August 2020	3,705,788	104,798	60,328	-	3,870,914

13. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	14,227	10,785
VAT recoverable	13,925	3,671
Prepayments and accrued income	125,853	58,037
	154,005	72,493

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14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	24,891	13,802
Other taxation and social security	28,456	25,236
Other creditors	40,090	36,870
Accruals and deferred income	81,490	64,812
	<u>174,927</u>	<u>140,720</u>
	2021 £	2020 £
Deferred income at 1 September 2020	45,582	59,057
Resources deferred during the year	47,562	45,582
Amounts released from previous periods	(45,582)	(59,057)
	<u>47,562</u>	<u>45,582</u>

At the balance sheet date deferred income relates mainly to Universal Infant Free School Meals funding and Rates Income paid in advance for the 2021/22 academic year.

15. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other creditors	<u>38,259</u>	<u>26,997</u>

The balance relates to one Salix loan repayable in 2026 and three CIF loans repayable in 2027, 2028 and 2032. The interest rate applied to the Salix Loan was 0%, and the interest rates applied to the three CIF loans were unknown, 2.18% and 2.07% respectively. The Salix Loan unknown interest rate won't be available until after the CIF project has been completed. The interest rate is likely to be c. 4% and therefore won't have a material impact on the financial statements.

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Unrestricted	407,121	142,057	(42,323)	-	-	506,855
Restricted funds						
GAG	-	1,698,100	(1,685,536)	(12,564)	-	-
Pupil Premium	-	84,473	(84,473)	-	-	-
Other						
DFE/ESFA	-	232,291	(232,291)	-	-	-
Trips	-	44,044	(44,044)	-	-	-
OGG	-	211,262	(211,262)	-	-	-
Pension reserve	(992,000)	-	(125,000)	-	(402,000)	(1,519,000)
	(992,000)	2,270,170	(2,382,606)	(12,564)	(402,000)	(1,519,000)
Restricted fixed asset funds						
Fixed asset fund	3,870,914	7,000	(140,113)	31,330	-	3,769,131
DFC	9,355	9,411	-	(18,766)	-	-
CIF	-	124,119	-	-	-	124,119
	3,880,269	140,530	(140,113)	12,564	-	3,893,250
Total Restricted	2,888,269	2,410,700	(2,522,719)	-	(402,000)	2,374,250
Total funds	3,295,390	2,552,757	(2,565,042)	-	(402,000)	2,881,105

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

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

General Annual Grant (GAG)

This represents funding from the ESFA to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium

This represents funding to be used 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 funding received from the ESFA/DfE which is restricted in nature.

Educational Trips

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the trips.

Other Government grants (OGG)

This represents various grants from local and national Government bodies for the provision of specific services to pupils of the School.

Pension reserve

This reserve represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to it on conversion from a state controlled school.

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.

Devolved Formula Capital (DFC)

This represents funding received from ESFA specifically for the maintenance and improvement of the Trust's buildings and facilities.

Condition Improvement Funding (CIF)

The Academy is to use this funding for the purpose of fire safety improvements.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted	313,833	129,848	(36,560)	-	-	407,121
Restricted						
GAG	-	1,595,162	(1,552,976)	(42,186)	-	-
Pupil Premium	-	82,696	(82,696)	-	-	-
Other						
DFE/ESFA	-	184,310	(184,310)	-	-	-
Trips	-	72,820	(72,820)	-	-	-
OGG	-	204,601	(204,601)	-	-	-
Pension reserve	(1,143,000)	-	(130,000)	-	281,000	(992,000)
	<u>(1,143,000)</u>	<u>2,139,589</u>	<u>(2,227,403)</u>	<u>(42,186)</u>	<u>281,000</u>	<u>(992,000)</u>
Restricted fixed asset						
Fixed asset fund	3,944,530	-	(115,802)	42,186	-	3,870,914
DFC	-	9,355	-	-	-	9,355
CIF	78,710	(3,386)	(75,324)	-	-	-
	<u>4,023,240</u>	<u>5,969</u>	<u>(191,126)</u>	<u>42,186</u>	<u>-</u>	<u>3,880,269</u>
Total Restricted	<u>2,880,240</u>	<u>2,145,558</u>	<u>(2,418,529)</u>	<u>-</u>	<u>281,000</u>	<u>2,888,269</u>
Total funds	<u><u>3,194,073</u></u>	<u><u>2,275,406</u></u>	<u><u>(2,455,089)</u></u>	<u><u>-</u></u>	<u><u>281,000</u></u>	<u><u>3,295,390</u></u>

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	3,769,131	3,769,131
Current assets	506,855	170,849	166,456	844,160
Creditors due within one year	-	(170,849)	(4,078)	(174,927)
Creditors due in more than one year	-	-	(38,259)	(38,259)
Provisions for liabilities and charges	-	(1,519,000)	-	(1,519,000)
Total	506,855	(1,519,000)	3,893,250	2,881,105

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,870,914	3,870,914
Current assets	407,121	167,717	9,355	584,193
Creditors due within one year	-	(140,720)	-	(140,720)
Creditors due in more than one year	-	(26,997)	-	(26,997)
Provisions for liabilities and charges	-	(992,000)	-	(992,000)
Total	407,121	(992,000)	3,880,269	3,295,390

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(12,285)	(179,683)
Adjustments for:		
Depreciation	143,418	114,794
Capital grants from DfE and other capital income	(133,530)	(5,969)
Interest receivable	(68)	(262)
(Increase)/decrease in debtors	(81,512)	38,250
Increase/(decrease) in creditors	34,207	(56,417)
Pension adjustment	125,000	130,000
Loss on sale of fixed assets	2,065	1,008
Donated Assets	(7,000)	-
Net cash provided by operating activities	70,295	41,721

19. Cash flows from financing activities

	2021 £	2020 £
Receipt/ (repayment) of Salix and CIF loans	11,262	(3,251)
Net cash provided by/(used in) financing activities	11,262	(3,251)

20. Cash flows from investing activities

	2021 £	2020 £
Interest received	68	262
Purchase of tangible fixed assets	(36,700)	(42,186)
Capital grants from DfE Group	133,530	5,969
Net cash provided by/(used in) investing activities	96,898	(35,955)

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	690,155	511,700
Total cash and cash equivalents	<u>690,155</u>	<u>511,700</u>

22. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	511,700	178,455	690,155

23. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire 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 £36,004 were payable to the schemes at 31 August 2021 (2020 - £32,118) 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.

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NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and
- 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 £216,438 (2020 - £201,768).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £128,000 (2020 - £120,000), of which employer's contributions totalled £101,000 (2020 - £96,000) and employees' contributions totalled £ 27,000 (2020 - £24,000). The agreed contribution rates for future years are 25.4 per cent for employers and 6.5 per cent for employees.

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.30	2.6
Rate of increase for pensions in payment/inflation	2.90	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
Males	22.1	21.9
Females	24.5	24.1
Retiring in 20 years		
Males	23.2	22.8
Females	26.2	25.5

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(92)	(49)
Discount rate -0.1%	92	49
Mortality assumption - 1 year increase	122	18
Mortality assumption - 1 year decrease	(122)	(18)
CPI rate +0.1%	92	40
CPI rate -0.1%	(92)	(40)

Share of scheme assets

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

	2021 £	2020 £
Equities	817,000	661,000
Corporate bonds	447,000	437,000
Property	170,000	112,000
Cash and other liquid assets	108,000	38,000
Total market value of assets	1,542,000	1,248,000

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

The actual return on scheme assets was £172,000 (2020 - £(547,000)).

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

	2021 £	2020 £
Current service cost	208,000	203,000
Interest income	22,000	33,000
Interest cost	(40,000)	(56,000)
Total amount recognised in the Statement of Financial Activities	190,000	180,000

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

	2021 £	2020 £
At 1 September	2,240,000	2,823,000
Interest cost	40,000	56,000
Employee contributions	27,000	24,000
Actuarial losses/(gains)	552,000	(861,000)
Benefits paid	(6,000)	(5,000)
Current Service Cost	208,000	203,000
At 31 August	3,061,000	2,240,000

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

	2021 £	2020 £
At 1 September	1,248,000	1,680,000
Interest income	22,000	33,000
Actuarial gains/(losses)	150,000	(580,000)
Employer contributions	101,000	96,000
Employee contributions	27,000	24,000
Benefits paid	(6,000)	(5,000)
At 31 August	1,542,000	1,248,000

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NOTES TO THE FINANCIAL STATEMENTS
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24. Operating lease commitments

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Amounts payable:		
Within 1 year	7,615	7,583
Between 1 and 5 years	19,771	24,662
After more than 5 years	-	6,894
Total	<u>27,386</u>	<u>39,139</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.

26. Related party transactions

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

H Gundry-Fletcher, spouse of N Fletcher, a Member, is employed by the Academy as an educational support staff member. H Gundry-Fletcher's appointment was made in open competition and N Fletcher was not involved in the decision-making process regarding appointment. H Gundry-Fletcher is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member.

No other related party transactions took place in the year, other than Trustees' remuneration and expenses already disclosed in note 10 (2020: £nil).