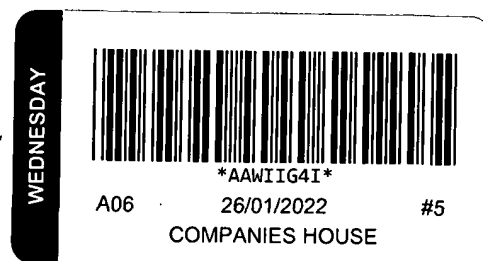


**Company Registration Number: 07660247 (England and Wales)**

**HIGHWORTH WARNEFORD SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

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



**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Mr M Holbrook, Chair of Members & Trustees Mrs J Murphy (appointed 15 November 2020) Mrs J Smith Mrs R McGuigan Mr J Samson
<b>Trustees</b>	Mr P Beaumont Mrs C Coffey (appointed 16 September 2020) Mr R Gaskell (appointed 17 March 2021) <sup>1</sup> Mr M Holbrook <sup>1</sup> Mr R James, Chair of Finance, Risk & Audit Committee <sup>1</sup> Mr G Llewellyn <sup>1</sup> Mr S Rhodes (appointed 23 November 2020) Mr A Steele, Head Teacher <sup>1</sup> Mrs D Tremblin Mr J Williams <sup>1</sup>

<sup>1</sup> Finance, Risk & Audit Committee

<b>Company registered number</b>	07660247
<b>Company name</b>	Highworth Warneford School
<b>Principal and registered office</b>	Shrivenham Road Highworth Swindon Wiltshire SN6 7BZ
<b>Accounting officer</b>	Mr A Steele

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Senior leadership team**

Mr A Steele, Head Teacher  
Mr M Nye, Deputy Head  
Mr S McKinstry, Deputy Head  
Mrs L Hayward, Business Manager  
Mrs K Green, Assistant Head  
Mrs F Stanley, Associate Assistant Head

**Independent auditors**

Bishop Fleming Bath Limited  
Chartered Accountants  
Statutory Auditors,  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

**Bankers**

Lloyds Bank PLC  
84-86 Cricklade Rd  
Gorse Hill  
Swindon  
SN2 8AF

**Solicitors**

Judicium Consulting  
3700 Parkway  
Whiteley  
Fareham  
PO15 7AL

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a secondary academy for pupils aged 11 to 16 in Highworth, Swindon. It has a pupil capacity of 925 and had a roll of 844 in the school census in January 2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

Highworth Warneford School (The Charitable Company) is a company limited by guarantee and an exempt charity. The Memorandum and Articles of Association are the primary governing documents. The Trustees of Highworth Warneford School are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

**Trustees' Liability**

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a Trustee.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000,000.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

**Method of recruitment and appointment or election of Trustees**

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 8 other Trustees.

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

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

**Policies and Procedures adopted for the Induction and Training of Trustees**

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

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with access to the schools policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority (LA) and other bodies.

The Academy purchases Trustee support from the LA as a Traded Service, this provides external training including training on financial matters. Advantage is taken of courses offered by the LA and other bodies and all new Trustees are invited to attend new Trustee module evenings that they run. The regular briefing the LA Trustee Support Team produce is issued to all Trustees and highlights changes in practice, current issues and details forthcoming training courses available.

**Organisational Structure**

The Board of Trustees normally meets between six and eight times per academic year. The Board establishes an overall framework for the governance of the Academy and determines Trusteeship, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

Due to a change in the Articles of Association in 2018/19, all strategic agendas are discussed during full Board meetings, with the exception of the Finance, Risk & Audit Committee. This committee meets at least 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, including the annual budget. In addition, it oversees the compliance with reporting and regulatory requirements, receives and reviews reports from the Responsible Officer/Internal Audit. This committee also considers issues relating to Risk and Audit.

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

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

The Trustees and Board of Trustees have devolved responsibility for the day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, 2 Deputy Heads, 1 Assistant Head, 1 Associate Assistant Head and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on operational performance; they are also responsible for the authorisation of spending within agreed budgets - a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, although appointment panels for posts at Head of Faculty level and upwards would normally include a Trustee.

The Head Teacher is the Accounting Officer.

**Arrangements for setting pay and remuneration of key management personnel**

The Trustees consider the Board of Trustees and the SLT to comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

**HIGHWORTH WARNEFORD SCHOOL**  
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**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

**Trade Union Facility Time**

The school has 1 member of staff who is a union official. This role is completed mostly in their spare time and the school therefore incurred a negligible cost in relation to this.

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

Connected Activities at Cluster Level – Highworth Warneford School funds and usually runs the EXTEND project, a very successful transition project for the cluster, whereby those students who are due to start secondary education in September can familiarise themselves with the school and make friends. This project is normally held during the May Half Term holiday, however, due to Covid-19 we were unable to run this event this year. The school did however run a Summer School where the upcoming Year 7s spent a week with staff undertaking a range of enjoyable educational activities.

Highworth Warneford School works closely with its feeder schools. For example, Warneford usually invites pupils from year 5 at the local primary schools to attend a Technology Day. The day is split between the Technology and Science departments, this is an excellent insight into life at Warneford for the children. Highworth Warneford School provides a range of services to the cluster schools, including PE Teaching and Catering. This collaborative working allows the cluster schools to benefit from expertise in these areas at an affordable cost.

Highworth Warneford School has a PTA which is committed to fund raising for the school. The funds raised provide valuable additional resources and financial support for activities that might not otherwise take place.

There are no related parties which either control or significant influence over the decisions and operations of Highworth Warneford School.

**Engagement with employees (including disabled persons)**

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Have a staff representative on the Trustee board
- Regular updates to all staff, via weekly briefings and staff meetings.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal activity of Highworth Warneford School is to provide high quality secondary education for students in Years 7 to 11 (aged between 11 and 16).

The school's vision is based on five clear principles:

Excellence:	every student must aim for excellence in everything that they do
Aspiration:	students should aspire to do amazing things and not settle for just enough
Challenge:	we will improve students' resilience and help them to adapt to face life's challenges
Values:	our students will develop independence and confidence and become moral, curious and enterprising learners, leaders and adults
Community:	the school is part of local, national and international community- staff and students recognise and engage with this.

In accordance with the Articles of Association, the charitable company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things:

**HIGHWORTH WARNEFORD SCHOOL  
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**TRUSTEES REPORT (CONTINUED)  
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- That the school has a broad and balanced curriculum;
- That it provides education for students of different abilities;
- And that it provides education for students who are wholly or mainly drawn from the area in which the school is situated.

**Objectives, Strategies and Activities**

Key priorities for the year are contained in our Improvement Plan. Improvement focuses identified for this year include:

- Continual improvement of Teaching and Learning
- Adapting the curriculum to meet national and local requirements
- Developing staff and student leadership
- Using data effectively and efficiently to support students and plan interventions where needed
- Looking at developments that will impact positively on ethos, values, behaviour and wellbeing
- Developing evaluation models that will support consistency of approach and outcomes

Trustees are very mindful of the complicated environment in which schools operate and are committed to:

- Provide an outstanding environment, with excellent staff, to support learning and enable students to fulfil their potential
- Create a positive, yet challenging culture, where everyone works towards continuous improvements in the quality and standards of learning
- To be a supportive and inclusive school, where both staff and students are valued
- Work with partners and the local community to improve and extend learning and other opportunities
- Achieve and maintain a robust financial status within a culture of compliance.

In order to achieve these objectives, the school's improvement plan is supported by evaluation and implementation plans at departmental level and mirrored by performance management priorities.

**Public Benefit**

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

The Academy aims to advance for the public benefit, education in Highworth and the surrounding area.

The Academy provides facilities for recreational and other leisure time use by the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

The school continues to have a clear focus on its objectives and has a good track record of evaluating its strengths and areas for improvement. During the past twelve months, we have gained the views of all stakeholders and externally benchmarked surveys have supplemented our work with Trustees and external partners. This has allowed us to frame high-quality improvement priorities and enabled plans to be made and implemented in an impactful manner.

All school systems are designed to be as effective as possible, with clear links between senior leaders, middle leaders and other staff. An example of this is our Curriculum Leadership Group, where subject leaders



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

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are able to have a genuine input into the direction of the school. Areas of responsibility are clearly defined but there is also a collegiate approach, which enables all staff to have a proactive role in school improvement. A relatively new governance structure has continued to be beneficial, with all Trustees able to gain a broader understanding of the working of the school and strategic priorities. Meetings are focused on these strategic priorities rather than administration or day-to-day school operation. Trustees have each taken on an additional role linked to key areas and school priorities. This allows them to become "experts" in a particular area of the school's working and increase levels of support and challenge. We have found it difficult to recruit enough trustees to fill all roles and have been considering using agencies to match us with high-quality candidates.

As with all schools, the pandemic has proved difficult for the whole school community but students engaged well with home learning and also responded well on the return to face-to-face lessons. Overall, we believe the impact on their learning has been minimised as much as possible but plans have been developed to identify gaps and tackle them.

The implementation of a new pastoral structure has been a resounding success, with students already showing loyalty to their new Houses. This has enabled us to increase competition and impact proactively on ethos.

The school continues to work with the Education Strategic Partnership (ESP). This is a "soft federation" arrangement that involves working collaboratively with four local secondary schools and a number of primary schools. This mirrors many of the advantages of being in a Multi Academy Trust, without some of the costs. There are a wide range of both curriculum and leadership/management support groups and the ESP is also a focus for leadership training and transition activities with feeder primary schools.

The school also has a School Improvement Partner and subsequent links with an academy based in Cheddar. This has provided invaluable opportunities to share ideas and expertise from a successful school outside of the local area.

The school remains committed to supporting staff development at all levels. The school has continued to provide a range of leadership development opportunities for staff through internal appointments and external courses such as the National Professional Qualification for Middle Leaders, Senior Leaders and Headteachers (NPQML/NPQSL/NPQH), with several completions during 2020-21.

Although the school's Planned Admission Number (PAN) has been reduced in a planned manner, the cohort for new Year 7 entry in September 2020 was lower than in recent year groups but curriculum and staffing were adjusted accordingly. There is still a complicated interplay between demographics, new schools, improving schools and building in different parts of Swindon and the surrounding area. Trustees and senior leaders are aware of the complexity this brings and are planning carefully to ensure the school manages any changes successfully. There is a very clear understanding of the link between student numbers and financial planning and a conservative view is taken to ensure ongoing viability.

Overall, the KS4 results for summer 2021 were very strong and nothing more than an excellent cohort deserved. The procedures around awarding Centre Assessed Grades were fair and robust and, as a result, there were only a handful of appeals. Although individual students will benefit from their grades, there will be no national comparisons made again this year and the school will not be able to meaningfully show the impact of its improvement plans in relation to exam results. However, there were clear reductions in the progress gap between boys and girls and Pupil Premium students actually made better progress than their peers for the first time ever in the school.

As always, arguably the most important thing is that virtually the whole cohort have transitioned to appropriate post-16 provision, with no student classified as NEET (not in education, employment or training). As well as very strong examination results, this is also down to students having access to outstanding careers lessons and events that help them to make informed choices. Gatsby benchmarks have been met and exceeded.

**HIGHWORTH WARNEFORD SCHOOL  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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In 2020-21 the absence rate for all students was around 8.6%. The pandemic makes it difficult to make any meaningful comparisons but we feel that school attendance has been prioritised by our parents and the vast majority made the effort to ensure their children attended every day when able.

A new system of student leadership has proved to be very powerful, with House Captains and Champions matched to all aspects of the school including sports, the arts, the environment, equality & diversity and charity & community. In general Student Voice is taken very seriously and their input into improving the school is encouraged and welcomed.

In normal times, a major strength of the school is the wide range of enrichment activities, including weekly clubs, in-school events and trips and visits, including residential, both in this country and abroad. Students benefit greatly from these experiences and staff continue to give generously of their time and expertise to make such activities worthwhile and successful. With COVID restrictions relaxing, this has given an opportunity to start many of these things again and we will report on the success of this next year.

Although the school was successful in bidding for a second phase of Common Infrastructure funding to replace the heating system, we were not able to gain money to improve the security of the site or improve toilet facilities in the last round. This is a concern and we will continue with our efforts to gain funds for these and other areas.

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £153,511 was carried forward representing 3.4% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for January 2021 were 844, compared to 905 in January 2020 census.

The following KPI's were set at the start of the year:

	2020/21	2019/20
GAG carry forward %	3.4%	1.2%
Pupil to teacher ratio	17.6	17.7
Total income per pupil	£6,318	£6,678
Total GAG per pupil	£5,391	£4,777
Ratio of staff costs to income	81.0%	71.1%

**Going Concern**

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

**FINANCIAL REVIEW**

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

**HIGHWORTH WARNEFORD SCHOOL  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2021, the Academy received total income of £5,332,059 and incurred total expenditure of £5,538,622. The excess of expenditure over income for the year was £206,563.

At 31 August 2021 the net book value of fixed assets was £10,989,103 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 27 to the financial statements.

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

**Reserves Policy**

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review. The current major risks to income are the falling birth rate in the local area, the opening of new secondary schools in Swindon and the age of the buildings.

The Trustees have determined that the appropriate level of free reserves should be approximately £430,000, being one month's recurring expenditure. Trustees have agreed that current reserves should be higher than the policy would require, to allow for a transitioning period of changing demographics and other local pressures. This will be kept under review on an annual basis. Total reserves of the academy, excluding the pension reserve, amount to £11,611,165, although, £10,891,656 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £719,509 (representing £506,903 unrestricted funds and £212,606 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserve policy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Investment Policy**

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

**PRINCIPAL RISKS AND UNCERTAINTIES**

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

**HIGHWORTH WARNEFORD SCHOOL  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Financial** - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 94% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

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

**Covid-19** - The Academy is incurring significant unanticipated expenditure due to the implementation of "Covid-safe" measures. There is uncertainty regarding the total expenditure on these measures and the impact this will have on the school's financial position long term. Due to the pandemic, the school has incurred a further loss in income as it has been unable to hire out its facilities and the canteen has had to operate at less than full capacity.

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

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

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

The Trustees examine the financial health formally at least six times a year. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Chair of Trustees also has regular meetings with the Head Teacher and Business Manager.

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

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

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**PLANS FOR FUTURE PERIODS**

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

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

The Academy aims to market the school effectively to ensure it achieves a full intake of students into year 7 despite the new secondary school provision in Swindon and the falling birth rate in the local area.

Other key priorities for 2021/2022 are contained in our School Improvement Plan, which is available from the school.

Whole School Targets are as follows: -

**Outstanding Teaching**

This is the key function of the school. Outstanding teaching is an integral part of outstanding learning. We want lessons to have impact, engaging students in a way that makes them want to learn and allows them to become increasingly independent. Trustees will support this by gaining an understanding of developments in pedagogy in general and how staff are being supported to improve their practice. Where necessary, they will be asked to take on specific strategic responsibility to support and challenge areas of relative weakness.

**Outstanding Curriculum**

Outstanding teaching is supported by an outstanding curriculum. Students clearly need to gain excellent results in a broad range of subjects. However, there are other success criteria and the development of broader skills is of equal importance. Trustees will support this by having an overview of and input into overall curriculum intent, ensuring that there is the correct balance between academic and other priorities.

**Leadership**

Without strong leadership, there is no capacity to develop, improve or respond to situations. Students need to understand what good leadership is, why it is so important, and be given opportunities to develop these skills. Trustees will support the development of leadership at all levels in the school, from the Headteacher to students, ensuring systems are in place to give both opportunity and guidance. This includes a commitment to constant review of the leadership aspects of governance, to ensure that broad competencies are covered and trustees are as effective as possible.

**Data & Intervention**

Understanding how students are progressing compared to expectation is vital if teaching is to be effective. Any issues can be picked up at the earliest opportunity and necessary actions taken. Trustees will support this goal by gaining an excellent understanding of both academic and financial metrics, allowing them to gain a deeper understanding of the school's strengths and weaknesses and be able to have productive and strategic conversations with the school's leadership about all aspects of the school.

**Care, Ethos, Values & Behaviour**

The school is a well-ordered environment with clear expectations around ethos, values and behaviour. We want our students to develop important skills other than being able to pass exams. Trustees will support this priority by ensuring that actions are taken to impact specifically and positively on the school's ethos. The school is here for all members of the community and the expectation is that we continue to be inclusive and promote positive values. Safeguarding has the highest strategic priority.

**Monitoring & Evaluation**

**HIGHWORTH WARNEFORD SCHOOL  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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Raising standards does not happen by accident. Implementation of improvement plans needs to be monitored and their impact reviewed to ensure effective use of time and resources. Staff need to be given both appropriate support and challenge to make sure that they meet the school's expectations. Trustees see this as a key function and will expect to see evidence of this happening both internally and externally and be able to make an input into strategic plans as a result.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

**AUDITOR**

In so far 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, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors and signed on the board's behalf by:



**Mr M Holbrook  
Chair of Trustees**

Date: 14/12/2021

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

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 Highworth Warneford School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr P Beaumont	7	8
Mrs C Coffey	4	8
Mr R Gaskell	2	3
Mr M Holbrook	8	8
Mr R James	8	8
Mr G Llewellyn	5	6
Mr S Rhodes	4	4
Mr A Steele	8	8
Mrs D Tremblin	8	8
Mr J Williams	6	8

The Finance, Risk & Audit Committee is a sub-committee of the main Board of Trustees. Its key responsibilities are:

- Monitoring, evaluating and reviewing policy and performance in relation to financial management.
- Receiving and reviewing reports from the Responsible Officer.
- Drafting the annual budget including staffing levels for approval by the full Board. It also considers issues relating to Risk and Audit.

During the year Mr R Gaskell joined the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Gaskell	1	2
Mr M Holbrook	4	5
Mr R James	5	5
Mr G Llewellyn	4	5
Mr A Steele	5	5
Mr J Williams	4	5

**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF VALUE FOR MONEY**

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Highworth Warneford School 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance, Audit & Risk 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 considered the need for a specific Internal Audit function and has decided to appoint James Cowper Kreston as internal auditors.

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



**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

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**THE RISK AND CONTROL FRAMEWORK (CONTINUED)**

school's systems surrounding petty cash, budget and financial monitoring, credit cards, income and expenditure, fixed assets, payroll and general compliance.

The auditor reports to the Board of Trustees, through the Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

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

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



Mr M Holbrook  
Chair of Trustees

Date: 14/12/2021



Mr A Steele  
Accounting Officer

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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



**Mr A Steele**  
Accounting Officer

Date 14/12/2021

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

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



**Mr A Steele**  
Accounting Officer

Date: 14/12/2021

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HIGHWORTH WARNEFORD SCHOOL**

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**OPINION**

We have audited the financial statements of Highworth Warneford School (the 'academy trust') 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 FRS 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 Trust'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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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 Trust'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.

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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 for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

**RESPONSIBILITIES OF TRUSTEES**

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

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

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

**USE OF OUR REPORT**

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

*Bishop Fleming Bath Ltd*

**John Talbot FCA (Senior Statutory Auditor)**  
for and on behalf of  
**Bishop Fleming Bath Limited**  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

Date: 17-12-21

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HIGHWORTH WARNEFORD SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 7 September 2020 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 Highworth Warneford School 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 Highworth Warneford School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Highworth Warneford School 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 Highworth Warneford School and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF HIGHWORTH WARNEFORD SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Highworth Warneford School's funding agreement with the Secretary of State for Education dated 30 June 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements were appropriate and included analytical review and detailed substantive testing of transactions.



**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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.

*Bishop Fleming Bath Ltd*

John Talbot FCA (Reporting Accountant)  
Bishop Fleming Bath Limited  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

Date: 17 - 12 - 21

**HIGHWORTH WARNEFORD SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	4	-	13,807	19,238	33,045	800,956
Charitable activities	5	195,122	5,055,672	-	5,250,794	5,158,481
Other trading activities	6	48,120	-	-	48,120	84,353
Investments	7	100	-	-	100	363
<b>Total income</b>		<b>243,342</b>	<b>5,069,479</b>	<b>19,238</b>	<b>5,332,059</b>	<b>6,044,153</b>
<b>Expenditure on:</b>						
Charitable activities		191,275	4,989,963	357,384	5,538,622	5,569,705
<b>Total expenditure</b>		<b>191,275</b>	<b>4,989,963</b>	<b>357,384</b>	<b>5,538,622</b>	<b>5,569,705</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>52,067</b>	<b>79,516</b>	<b>(338,146)</b>	<b>(206,563)</b>	<b>474,448</b>
Transfers between funds	20	-	(101,467)	101,467	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>52,067</b>	<b>(21,951)</b>	<b>(236,679)</b>	<b>(206,563)</b>	<b>474,448</b>
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(351,000)	-	(351,000)	64,000
<b>Net movement in funds</b>		<b>52,067</b>	<b>(372,951)</b>	<b>(236,679)</b>	<b>(557,563)</b>	<b>538,448</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		454,836	(1,285,069)	11,166,961	10,336,728	9,798,280
Net movement in funds		52,067	(372,951)	(236,679)	(557,563)	538,448
<b>Total funds carried forward</b>		<b>506,903</b>	<b>(1,658,020)</b>	<b>10,930,282</b>	<b>9,779,165</b>	<b>10,336,728</b>

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

The notes on pages 27 to 53 form part of these financial statements.

**HIGHWORTH WARNEFORD SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07660247**

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

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	10,989,103	10,872,682
<b>Current assets</b>			
Stocks	15	2,665	2,665
Debtors	16	304,197	568,383
Cash at bank and in hand		826,253	702,929
		<u>1,133,115</u>	<u>1,273,977</u>
Creditors: amounts falling due within one year	17	(420,576)	(417,392)
<b>Net current assets</b>		<u>712,539</u>	<u>856,585</u>
<b>Total assets less current liabilities</b>		<u>11,701,642</u>	<u>11,729,267</u>
Creditors: amounts falling due after more than one year	18	(90,477)	(98,539)
<b>Net assets excluding pension liability</b>		<u>11,611,165</u>	<u>11,630,728</u>
Defined benefit pension scheme liability	27	(1,832,000)	(1,294,000)
<b>Total net assets</b>		<u>9,779,165</u>	<u>10,336,728</u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	10,930,282	11,166,961
Restricted income funds	20	173,980	8,931
Restricted funds excluding pension asset	20	<u>11,104,262</u>	<u>11,175,892</u>
Pension reserve	20	(1,832,000)	(1,294,000)
<b>Total restricted funds</b>	20	<u>9,272,262</u>	<u>9,881,892</u>
Unrestricted income funds	20	<u>506,903</u>	<u>454,836</u>
<b>Total funds</b>		<u>9,779,165</u>	<u>10,336,728</u>

The financial statements on pages 24 to 53 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr M Holbrook  
Chair of Trustees

Date: 14.12.2021

The notes on pages 27 to 53 form part of these financial statements.

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	128,396	160,748
<b>Cash flows from investing activities</b>	23	(5,072)	104,064
<b>Change in cash and cash equivalents in the year</b>		<b>123,324</b>	<b>264,812</b>
Cash and cash equivalents at the beginning of the year		702,929	438,117
<b>Cash and cash equivalents at the end of the year</b>	24, 25	<b>826,253</b>	<b>702,929</b>

The notes on pages 27 to 53 form part of these financial statements.

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. GENERAL INFORMATION**

Highworth Warneford School is a company limited by guarantee, incorporated in England and Wales. The registered office is 11 Shrivenham Road, Highworth, Swindon, Wiltshire, SN6 7BZ.

**2. ACCOUNTING POLICIES**

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

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

**2.2 GOING CONCERN**

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

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

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**2. ACCOUNTING POLICIES (continued)**

**2.3 INCOME**

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

**2.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

- **Charitable activities**

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

**2.5 INTEREST RECEIVABLE**

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

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**2. ACCOUNTING POLICIES (continued)**

**2.6 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.

On conversion the academy was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold land	- Straight line over 125 years
Leasehold property	- Straight line over 50 years
Leasehold improvements	- Straight line over 20 years
Furniture and equipment	- Straight line over 5 years
Motor vehicles	- Straight line over 4 years
Computer equipment	- Straight line over 4 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

**2.7 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.8 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**2.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**2. ACCOUNTING POLICIES (continued)**

**2.10 LIABILITIES AND PROVISIONS**

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

**2.11 TAXATION**

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

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

**2.12 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 17 and 18. 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.



**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**2. ACCOUNTING POLICIES (continued)**

**2.13 PENSIONS**

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

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

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

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

**2.14 OPERATING LEASES**

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

**2.15 FUND ACCOUNTING**

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

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

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

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

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

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3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**4. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	13,807	-	13,807	10,622
Capital Grants	-	19,238	19,238	790,334
	<u>13,807</u>	<u>19,238</u>	<u>33,045</u>	<u>800,956</u>
<b>TOTAL 2020</b>	<u>10,622</u>	<u>790,334</u>	<u>800,956</u>	

**5. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL ACTIVITIES**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DfE/ESFA and Other grants:</b>				
General Annual Grant	-	4,550,000	4,550,000	4,323,437
Pupil Premium	-	179,846	179,846	117,130
Teachers Pay and Pension Grants	-	233,890	233,890	245,489
Other DfE/ESFA grants	31,160	20,480	51,640	27,591
	<u>31,160</u>	<u>4,984,216</u>	<u>5,015,376</u>	<u>4,713,647</u>
<b>OTHER GOVERNMENT GRANTS</b>				
High Needs	-	57,293	57,293	52,012
Local Authority Pupil Premium	-	2,600	2,600	9,490
	<u>-</u>	<u>59,893</u>	<u>59,893</u>	<u>61,502</u>
<b>Other income from the Academy Trust's education</b>	<u>163,962</u>	<u>-</u>	<u>163,962</u>	<u>352,708</u>
<b>COVID-19 ADDITIONAL FUNDING (NON-DfE/ESFA)</b>				
Coronavirus Job Retention Scheme Grant	-	11,563	11,563	30,624
	<u>-</u>	<u>11,563</u>	<u>11,563</u>	<u>30,624</u>
	<u>195,122</u>	<u>5,055,672</u>	<u>5,250,794</u>	<u>5,158,481</u>
<b>TOTAL 2020</b>	<u>352,708</u>	<u>4,805,773</u>	<u>5,158,481</u>	

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**5. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL ACTIVITIES (CONTINUED)**

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown under "Covid-19 Additional Funding".

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	2,253	2,253	20,593
External Catering	45,867	45,867	54,691
Consultancy	-	-	9,069
	<u>48,120</u>	<u>48,120</u>	<u>84,353</u>
TOTAL 2020	<u>84,353</u>	<u>84,353</u>	

**7. INVESTMENT INCOME**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	100	100	363
	<u>363</u>	<u>363</u>	
TOTAL 2020	<u>363</u>	<u>363</u>	

**HIGHWORTH WARNEFORD SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**8. EXPENDITURE**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
<b>EDUCATION:</b>					
Direct costs	3,454,976	357,384	443,743	4,256,103	4,274,602
Allocated support costs	700,998	413,946	167,575	1,282,519	1,295,103
	<u>4,155,974</u>	<u>771,330</u>	<u>611,318</u>	<u>5,538,622</u>	<u>5,569,705</u>
<b>TOTAL 2020</b>	<u>4,300,177</u>	<u>668,334</u>	<u>601,194</u>	<u>5,569,705</u>	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	<u>4,256,103</u>	<u>1,282,519</u>	<u>5,538,622</u>	<u>5,569,705</u>
<b>TOTAL 2020</b>	<u>4,274,602</u>	<u>1,295,103</u>	<u>5,569,705</u>	

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	24,000	22,000
Staff costs	3,529,976	3,532,321
Depreciation	357,384	342,772
Educational supplies	119,451	125,344
Examination fees	57,585	56,389
Staff development	5,267	4,830
Other costs	-	140,442
Supply teachers	162,440	50,504
<b>TOTAL 2021</b>	<b>4,256,103</b>	<b>4,274,602</b>

**ANALYSIS OF SUPPORT COSTS**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	626,558	717,352
Other costs	2	6,665
Recruitment and support	4,684	5,426
Maintenance of premises and equipment	108,855	77,734
Cleaning	99,417	44,212
Rent and rates	32,638	34,429
Energy costs	47,261	49,407
Insurance	20,580	21,789
Security and transport	125,775	64,614
Catering	73,075	72,308
Technology costs	57,537	86,599
Office overheads	22,943	24,082
Legal and professional	56,694	82,128
Bank interest and charges	6,500	8,358
<b>TOTAL 2021</b>	<b>1,282,519</b>	<b>1,295,103</b>

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	10,240	5,783
Depreciation of tangible fixed assets	357,384	342,773
Fees paid to auditors for:		
- audit	9,700	9,100
- other services	1,600	1,550
	<u>378,924</u>	<u>360,106</u>

**11. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,997,601	3,069,396
Social security costs	298,293	301,003
Pension costs	860,640	879,274
	<u>4,156,534</u>	<u>4,249,673</u>
Agency staff costs	162,440	50,504
	<u>4,318,974</u>	<u>4,300,177</u>

**b. STAFF NUMBERS**

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

	2021 No.	2020 No.
Teachers	48	39
Administration and support	70	77
Management	6	6
	<u>124</u>	<u>122</u>

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**11. STAFF (CONTINUED)**

**b. STAFF NUMBERS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teacher	42	44
Administration and support	29	28
Management	6	6
	<u>77</u>	<u>78</u>

**c. HIGHER PAID STAFF**

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	1
	<u>5</u>	<u>5</u>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees and the senior leadership team as listed on pages 1 & 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £507,607 (2020 £531,178).

**12. TRUSTEES' REMUNERATION AND EXPENSES**

The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the academy in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows:

A Steele: Remuneration £80,000 - £85,000 (2020: £75,000 - £80,000), Employer's pension contributions £15,000 - £20,000 (2020: £15,000 - £20,000), D Tremblin: £30,000 - £35,000 (2020: £25,000 - £30,000), Employer's pension contributions: £5,000 - £10,000 (2020: £5,000 - £10,000).

Other related party transactions involving the trustees are set out in note 30.

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed to Trustees (2020: £267 to 3 Trustees).



**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £150 (2020 - £148). The cost of this insurance is included in the total insurance cost.

HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)

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

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2020	10,541,716	2,133,037	316,809	277,068	3,999	13,272,629
Additions	-	422,634	14,701	36,470	-	473,805
At 31 August 2021	10,541,716	2,555,671	331,510	313,538	3,999	13,746,434
<b>DEPRECIATION</b>						
At 1 September 2020	1,632,808	249,044	296,486	217,610	3,999	2,399,947
Charge for the year	210,834	103,512	11,373	31,665	-	357,384
At 31 August 2021	1,843,642	352,556	307,859	249,275	3,999	2,757,331
<b>NET BOOK VALUE</b>						
At 31 August 2021	8,698,074	2,203,115	23,651	64,263	-	10,989,103
At 31 August 2020	8,908,908	1,883,993	20,323	59,458	-	10,872,682

**HIGHWORTH WARNEFORD SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**15. STOCKS**

	2021	2020
	£	£
Catering stock	2,665	2,665

**16. DEBTORS**

	2021	2020
	£	£
Trade debtors	7,335	-
VAT repayable	18,514	25,502
Prepayments and accrued income	278,348	542,881
	304,197	568,383

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Other loans	10,174	4,292
Other taxation and social security	69,153	71,411
Other creditors	79,523	80,199
Accruals and deferred income	261,726	261,490
	420,576	417,392

	2021	2020
	£	£
Deferred income at 1 September 2020	44,634	99,792
Resources deferred during the year	65,518	44,634
Amounts released from previous periods	(44,634)	(99,792)
	65,518	44,634

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Other loans	90,477	98,539

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Payable or repayable by instalments	49,781	57,843
	<u>49,781</u>	<u>57,843</u>

To ensure all staff within Swindon school's were on equal pay the local authority performed a preconversion pay review. This review established that certain staff in the School were owed additional pay, which was settled by the local authority on behalf of the School. The Academy Trust is required to repay this debt, however the local authority have the right to reconsider the amount owed. A loan was transferred to the Academy Trust on conversion, at the year end £39,718 (2020: £44,010) remains outstanding. The loan is unsecured and is being repaid by instalments with 13 years remaining, at an interest rate of 4.93%.

**19. FINANCIAL INSTRUMENTS**

	2021 £	2020 £
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through income and expenditure	826,253	702,929

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

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. STATEMENT OF FUNDS**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>						
General funds	454,836	243,342	(191,275)	-	-	506,903
<b>RESTRICTED GENERAL FUNDS</b>						
GAG	51,849	4,550,000	(4,287,776)	(101,467)	-	212,606
Rates	-	20,480	(20,480)	-	-	-
Donations	-	13,807	(13,807)	-	-	-
Pupil Premium	-	182,446	(182,446)	-	-	-
Teachers Pay Grant	-	233,890	(233,890)	-	-	-
LA high needs	-	57,293	(57,293)	-	-	-
Job Retention Scheme Grant	-	11,563	(11,563)	-	-	-
Equal pay loan	(42,918)	-	4,292	-	-	(38,626)
Pension reserve	(1,294,000)	-	(187,000)	-	(351,000)	(1,832,000)
	(1,285,069)	5,069,479	(4,989,963)	(101,467)	(351,000)	(1,658,020)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	7,089,725	-	(210,834)	1,819,183	-	8,698,074
Fixed assets purchased from other restricted funds	3,731,108	-	(146,550)	(1,293,529)	-	2,291,029
Capital funds revenue	404,949	19,238	-	(424,187)	-	-
Salix & CIF loans	(58,821)	-	-	-	-	(58,821)
	11,166,961	19,238	(357,384)	101,467	-	10,930,282
<b>TOTAL RESTRICTED FUNDS</b>	<b>9,881,892</b>	<b>5,088,717</b>	<b>(5,347,347)</b>	<b>-</b>	<b>(351,000)</b>	<b>9,272,262</b>
<b>TOTAL FUNDS</b>	<b>10,336,728</b>	<b>5,332,059</b>	<b>(5,538,622)</b>	<b>-</b>	<b>(351,000)</b>	<b>9,779,165</b>

**HIGHWORTH WARNEFORD SCHOOL  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS (CONTINUED)**

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

**Restricted funds**

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

**Rates Reimbursement** - This income reflects donations given to the school for a restricted purpose.

**Donation** - This relates to other donations received from non-government bodies.

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

**Teachers Pay Grant** - This represent funding received from the ESFA for increase in teachers pay and increases in teacher's pension contribution rates.

**Condition Improvement Fund (CIF)** - Funding received from the ESFA for specific capital projects.

**Devolved Formula Capital (DFC)** - Funding received from the ESFA to cover maintenance and the purchase of the academy's assets.

**LA High Needs** - Funding to further support pupils with additional needs and additional Pupil Premium funding received from the Local Authority.

**Other LA grants** - This relates to other smaller grant income streams received from local authorities and other government bodies.

**Other restricted funds** - This relates to other income streams and donations received from non-government bodies. This fund also contains funding received from the local authority on conversion to an Academy Trust.

**Job Retention Scheme Grant** - This relates to grant funding received to cover the salaries of those staff unable to work due COVID-19.

**Equal Pay Loan** - This is amounts due to Swindon Unitary Authority and arose to fund the salaries paid to certain employees following disputes on equal pay.

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

**Restricted Fixed Asset Funds**

**Fixed assets on conversion** represent the value of the building and other assets transferred to the new Academy from the Local Authority.

**Fixed assets purchased from restricted funds** represents amounts spent on fixed assets from GAG and DFC received from the ESFA and other restricted donations.

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

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**20. STATEMENT OF FUNDS (CONTINUED)**

**Other Information**

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

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

**20. 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 £
<b>UNRESTRICTED FUNDS</b>						
General funds	259,836	437,424	(242,424)	-	-	454,836
<b>RESTRICTED FUNDS</b>						
GAG	52,229	4,323,437	(4,316,843)	(6,974)	-	51,849
Rates	-	20,480	(20,480)	-	-	-
Donations	-	10,622	(10,622)	-	-	-
Pupil Premium	-	117,130	(117,130)	-	-	-
Teachers Pay Grant	-	245,489	(245,489)	-	-	-
LA high needs	-	52,012	(52,012)	-	-	-
Other LA grants	-	9,490	(9,490)	-	-	-
Other restricted funds	-	7,111	(7,111)	-	-	-
Job Retention Scheme Grant	-	30,624	(30,624)	-	-	-
Equal pay loan	(47,210)	-	4,292	-	-	(42,918)
Pension reserve	(1,179,000)	-	(179,000)	-	64,000	(1,294,000)
	(1,173,981)	4,816,395	(4,984,509)	(6,974)	64,000	(1,285,069)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	7,305,681	-	(215,956)	-	-	7,089,725
Fixed assets purchased from other restricted funds	3,406,744	790,334	(126,816)	6,974	-	4,077,236
	10,712,425	790,334	(342,772)	6,974	-	11,166,961
<b>TOTAL RESTRICTED FUNDS</b>	9,538,444	5,606,729	(5,327,281)	-	64,000	9,881,892
<b>TOTAL FUNDS</b>	9,798,280	6,044,153	(5,569,705)	-	64,000	10,336,728



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

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	10,989,103	10,989,103
Current assets	506,903	626,212	-	1,133,115
Creditors due within one year	-	(414,754)	(5,822)	(420,576)
Creditors due in more than one year	-	(37,478)	(52,999)	(90,477)
Provisions for liabilities and charges	-	(1,832,000)	-	(1,832,000)
<b>TOTAL</b>	<b>506,903</b>	<b>(1,658,020)</b>	<b>10,930,282</b>	<b>9,779,165</b>

**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	-	-	10,872,682	10,872,682
Current assets	454,836	419,810	399,331	1,273,977
Creditors due within one year	-	(410,879)	(6,513)	(417,392)
Creditors due in more than one year	-	-	(98,539)	(98,539)
Provisions for liabilities and charges	-	(1,294,000)	-	(1,294,000)
<b>TOTAL</b>	<b>454,836</b>	<b>(1,285,069)</b>	<b>11,166,961</b>	<b>10,336,728</b>

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

**22. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(206,563)	474,448
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	357,384	342,773
Capital grants from DfE and other capital income	(19,238)	(441,271)
Dividends, interest and rents from investments	(100)	(363)
Defined benefit pension scheme cost less contributions payable	163,000	157,000
Defined benefit pension scheme finance cost	24,000	22,000
(Increase)/decrease in stocks	=	(1,503)
(Increase)/decrease in debtors	(68,018)	(329,954)
Increase/(decrease) in creditors	(122,069)	(62,382)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>128,396</b>	<b>160,748</b>

**23. CASH FLOWS FROM INVESTING ACTIVITIES**

	2021 £	2020 £
Interest received	100	363
Purchase of tangible fixed assets	(356,614)	(337,570)
Capital grants from DfE Group	351,442	441,271
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>(5,072)</b>	<b>104,064</b>

**24. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash at bank and in hand	826,253	702,929
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>826,253</b>	<b>702,929</b>

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

**25. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	702,929	123,324	826,253
Debt due within 1 year	(4,292)	(5,882)	(10,174)
Debt due after 1 year	(98,539)	8,062	(90,477)
	<u>600,098</u>	<u>125,504</u>	<u>725,602</u>

**26. CAPITAL COMMITMENTS**

	2021 £	2020 £
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets and major repair works	<u>158,364</u>	<u>368,916</u>

**27. PENSION COMMITMENTS**

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

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

Contributions amounting to £77,545 were payable to the schemes at 31 August 2021 (2020 - £80,048) 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.

NOTES TO THE FINANCIAL STATEMENTS  
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27. 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
- 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 £539,350 (2020 - £537,838).

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

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

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 £202,000 (2020 - £233,000), of which employer's contributions totalled £160,000 (2020 - £187,000) and employees' contributions totalled £42,000 (2020 - £46,000). The agreed contribution rates for future years are 26.5 per cent for employers and 5.5-12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, 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 Trust 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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**27. PENSION COMMITMENTS (CONTINUED)**

**PRINCIPAL ACTUARIAL ASSUMPTIONS**

	2021	2020
	%	%
Discount rate for scheme liabilities	1.7	1.7
Rate of increase in salaries	3.3	2.7
Rate of increase for pensions in payment/inflation	2.9	2.3
Inflation assumption (CPI)	2.9	2.3

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

	2021	2020
	Years	Years
Retiring today		
Males	21.9	21.7
Females	24.4	24.0
Retiring in 20 years		
Males	22.9	22.5
Females	26.2	25.5

**SHARE OF SCHEME ASSETS**

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

	2021	2020
	£	£
Equities	2,459,000	2,229,000
Bonds	1,475,000	1,274,000
Property	492,000	478,000
Cash and other liquid assets	45,000	-
<b>Total market value of assets</b>	<b>4,471,000</b>	<b>3,981,000</b>

The actual return on scheme assets was £586,000 (2020 = £84,000).

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

	2021	2020
	£	£
Current service cost	(323,000)	(344,000)
Interest income	67,000	69,000
Interest cost	(91,000)	(91,000)
<b>Total</b>	<b>(347,000)</b>	<b>(366,000)</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. PENSION COMMITMENTS (CONTINUED)**

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>5,275,000</b>	<b>4,903,000</b>
Current service cost	323,000	344,000
Interest cost	91,000	91,000
Employee contributions	42,000	46,000
Actuarial gains	806,000	(52,000)
Benefits paid	(234,000)	(57,000)
<b>AT 31 AUGUST</b>	<b>6,303,000</b>	<b>5,275,000</b>

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>3,981,000</b>	<b>3,724,000</b>
Interest income	67,000	69,000
Actuarial gains	455,000	12,000
Employer contributions	160,000	187,000
Employee contributions	42,000	46,000
Benefits paid	(234,000)	(57,000)
<b>AT 31 AUGUST</b>	<b>4,471,000</b>	<b>3,981,000</b>

**28. OPERATING LEASE COMMITMENTS**

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

	2021 £	2020 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	2,318	5,383
Between 1 and 5 years	-	2,318
	<b>2,318</b>	<b>7,701</b>

**HIGHWORTH WARNEFORD SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**29. MEMBERS' LIABILITY**

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

**30. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year, the academy charged £31,778 (2020: £33,389) to Eastrop Infant School and £14,089 (2020: £17,630) to Southfield Junior School in relation to catering services; both schools are part of Grove Learning Trust. R James is a Trustee of this academy and a director of Grove Learning Trust.

Other than the above, no related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 12.