

Willowcroft Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2020



Company Registration Number:
08516562(England and Wales)

Period of account: 1 September 2019 – 31 August 2020

Willowcroft Academy Trust

Contents

Item	Page
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	15
Statement on Regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report on the Financial Statements	23
Independent Reporting Accountant's Report on Regularity	26
Statement of Financial Activities incorporating Income & Expenditure Account	28
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements, incorporating:	31
Statement of Accounting Policies	
Other Notes to the Financial Statements	

Willowcroft Academy Trust

Reference and Administrative Details

Members

Mr Malcolm Wright
Mr Malcolm Edge
Mr Sean Mcwhinnie
O.P.E.N Education Network

Trustees

Mr Malcolm Wright (resignation 25th November 2019) (Vice chairperson) +
Dr Joanne Flanagan
Mrs Elizabeth Jane Hemery (Head Teacher) * +
Mr Richard Williams * +
Mrs Amy Sant Cassia (resignation 26th August 2020)
Mr Simon Clarke (termination of appointment 22nd June 2020)
Ms Amanda Doy
Ms Gillian Gardiner (resignation 24th August 2020)
Ms Ellen Reeve (resignation 11th December 2019)
Mr Mocky Khan * +
Mr Malcolm Edge * +
Mr Mitt Nathwani (chairperson) * +
Mr James Doman (appointed 24th August 2020)
Mr James Cane (appointed 9th December 2019) * +
Mr Toby Pilling (appointed 15th December 2019)

* members of the finance and personnel committee

+ members of the pay committee

Clerk to Trustees

Mrs Isobel Kent

Company Secretary

Mrs Tracy Belcher

Willowcroft Academy Trust

Reference and Administrative Details (continued)

Senior Management Team

- Mrs Elizabeth Jane Hemery
- Mrs Amanda Doy
- Ms Jody Brown
- Mrs Tracy Belcher

Head Teacher
Deputy Head Teacher
Assistant Head Teacher
Business Manager

Company Name

Willowcroft Academy Trust

Principal and Registered Office

Willowcroft Community School
Mereland Road
Didcot
Oxon
OX11 8BA

Company Registration Number

08516562

Auditor

Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Bankers

Lloyds Bank
Didcot Branch
PO Box 1000
BX1 1LT

Solicitors Name

Brown Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU

Willowcroft Academy Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 2 to 11 serving a catchment area to the south of Didcot. It has a pupil capacity of 476 and had a roll of 435 in the school census on 2 October 2019.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Willowcroft Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Willowcroft Community School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

Method of Recruitment and Appointment or Election of Trustees

The board of trustees currently comprises:

- The Head Teacher
- Up to four further staff trustees
- further staff trustees
- At least five parent trustees
- Up to four Community trustees

Members may appoint one trustee and there is no maximum limit on the number of trustees.

Parent trustees must be a parent of a pupil at the time when they were appointed. Parents that express an interest in joining must first meet with the Chair of Governors to learn what's involved in the role, and what is expected of them. If this meeting reveals a good fit between the potential trustee and the school's needs, the potential trustee is proposed to the board at the next meeting for consideration and election to the board.

Staff trustees must be a staff member at the time they are elected. They are elected by staff members at the school. If a staff member leaves the employment of the trust then he/she shall be deemed to have resigned and shall cease to be a trustee. The total number of trustees who are employees of the academy trust shall not exceed one third.

Willowcroft Academy Trust

Trustees' Report (continued)

Academy trustees may be appointed by the board of trustees provided that the person appointed lives or works in the community served by the academy or who, in the opinion of the board of trustees, is committed to the governance and success of the Academy.

OPEN may appoint additional trustees as it thinks fit in circumstances where a "step-in event", as defined in the OPEN collaboration agreement occurs in the Academy.

The trustees may from time to time appoint any person whether or not a member of the Academy Trust to be a patron of the Academy Trust or to hold an honorary office and may determine for what period he/she is to hold such office.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees were given training on academies, charity law and the roles and responsibilities of being a director prior to the school converting to an academy on 1 June 2013. All new trustees are invited to tour the school and meet with staff and pupils and participate in a personalised induction programme (with the Head Teacher and Company Secretary), taking into account their previous experience. Trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documentation required to fulfil their role. Where necessary, induction will include training on charity and educational legal and financial matters, including safeguarding training. The induction process is seen as an investment, leading to more effective governance and retention of trustees. DBS checks are carried out in advance of a trustee being appointed and safeguarding training is provided.

Organisational Structure

The Academy has defined the responsibilities of each person. Any high level decisions are discussed with the board of trustees in advance of a decision being made. The finance and resources committee scrutinise any budget monitoring data that is prepared and presented by the business manager. The business manager will oversee all month end processes input by the finance officer. All payroll processes are prepared by the business manager and signed off by the Accounting Officer. The curriculum & attainment committee analyse data prepared and presented by the Head and deputy head. This is briefly discussed at the board meeting.

Arrangements for setting pay and remuneration of key management personnel

The Head Teacher will meet individual key management personnel on a regular basis setting individual responsibilities and targets. The information is entered onto Perspective (a performance management software system) and re visited by the staff member at regular intervals. The data is accessed in the performance management review and discussed at the pay committee. Members and Trustees request evidence of benchmarking in advance of agreeing pay and remuneration. The Head Teachers pay review is decided in a performance management meeting with the Chair of Governors, a member of the pay committee and a third party representative.

Willowcroft Academy Trust

Trustees' Report (continued)

Related Parties and other Connected Charities and Organisations

Willowcroft Academy Trust is part of the Oxfordshire Primary Education Network – OPEN – an umbrella trust of four primary schools in the Didcot and Wallingford area. The other schools in the group are:

- Ladygrove Park Primary School, Didcot
- St John's Primary School, Wallingford
- Cholsey Primary School, nr Wallingford

While the schools remain independent and are each separate Academies, each school has signed up to a collaboration agreement that sets out the scope and nature of the responsibilities of each school in the group to one another.

On a formal level, each school takes part in a risk assessment each year by peer review which looks at teaching and learning, progress and provision as well as the financial health of the school. In the event of this process identifying a problem in any of these areas, a "step-in" event is deemed to have taken place and the schools will work together to take remedial action. This could range from support and mentoring by other schools in the group to the appointment of trustees by OPEN.

On an informal level, the schools in the group collaborate closely on many aspects e.g. by sharing best practice, collaborating on in-house training, sharing data and policies, sharing IT systems and even staff to cover sickness, absence and staff changes.

The school is also a member of the Didcot Partnership of schools, which comprises maintained schools and academies. The partnership collaborates to purchase certain services from the local education authority, such as educational psychologists and Home School Link Workers to the benefit of all schools in the partnership.

For further details of related parties and transactions during the year see notes 10 and 26.

Objectives and Activities

The academy teaches children the importance of community, effective learning, behaviour and our responsibilities for others. Our shared school rules and values enable our children to thrive emotionally, socially and intellectually. Children at the academy learn to care for their environment through our Forest School Programme. As a valuable part of the community, the school works to support children and their families in order to remove barriers to achievement and enable all children to succeed.

We work in a collaborative manner with our partner schools in OPEN for the benefit of the whole. OPEN schools retain their own independence but are committed to working together to improve teaching and learning in all schools. OPEN will provide challenge and support for the schools as well as taking on some of the functions of the Local Authority.

Objects and Aims

The academy's object as defined in the articles of association is to advance for the public benefit education in the United Kingdom by maintaining and developing a school offering a broad and balanced curriculum and to promote the provision of facilities for recreation in the interests of social welfare for people living in Oxfordshire.

Willowcroft Academy Trust

Trustees' Report (continued)

1 September 2019 – 31 August 2020

Trade Union Facility Time

The Academy has more than 49 Full Time Equivalent Staff and will allow employees reasonable time off for trade union duties and activities although there were no staff who are acting as paid trade union officials in the year ending 31st August 2020.

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	£1,840,207
Provide the percentage of the total pay bill spent on facility time	0%

Paid trade union officials

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Objectives, Strategies and Activities

Key Activities when implementing the school improvement plan for 2019-2020 were:

- Improving teacher's pedagogy in the effective teaching of maths;
- Providing specialist support in maths for children who are not making sufficient progress;
- Further developing library provision
- Improving teacher's subject knowledge in the teaching of phonics
- Increasing and restructuring the pastoral team to support children with social and emotional development and to ensure a high level of care for the most vulnerable pupils
- Introducing penalty notices to improve attendance and reduce incidence of lateness;
- Ensuring a high standard of behaviour and high expectations and to develop a growth mindset in teachers and children.

Willowcroft Academy Trust

Trustees' Report (continued)

Public Benefit

The trustees of (Willowcroft Academy Trust) confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Willowcroft Academy Trust provides an education that:

- Is balanced and broadly based;
- Promotes the spiritual, moral, cultural, mental and physical development of pupils at the school and of society;
- Prepares pupils at the school for the opportunities, responsibilities and experiences of later life;
- Promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

Our successes are built on the hard work and commitment of our staff team, motivated and hardworking children, very supportive parents and committed trustees. We work closely with the other OPEN member schools and share expertise in order to provide outstanding teaching and learning.

Willowcroft Academy Trust has a high quality pastoral care system and is a focus for wider community educational activities, to ensure the school is at the centre of its community. This ensures that we generate better educational programmes as well as improving our transitional activities for pupils when moving on to secondary education.

This academic year we have not been able to provide many activities and services to the local community due to Covid 19 from March 2020 but have provided some of the following:

- parenting skills meetings and informal parenting groups;
- Supporting and working with other OPEN schools to promote good practice in Teaching and Learning;
- Allowing some clubs to use our school facilities.
- Providing opportunities for pupils and staff to interact with the wider community in old people's homes, community events (such as the Didcot Street Fair) and arts and performance events at our local Cornerstone arts venue.

Strategic Report

Achievements and Performance

As requested by HM Government, the school opened to children of key workers and vulnerable pupils only from 23rd March 2020 until the end of May 2020 then offering additional places to some year groups until the end of the summer. The school was open throughout the Easter break (apart from Bank Holidays) and May half term. Food parcels were taken to families isolating, free school meal vouchers were provided to families who were entitled and education continued through zoom and dojo to those who were not able to attend. During the first phase, we had an average of 35 pupils in attendance with approximately 30 staff on a rotational basis. We understand that we were one of the schools in Oxfordshire with the largest number of children in attendance. During the lockdown period, we entertained the community local to the school daily with a song performance at the school gate, this has been featured on BBC Oxford [and BBC South Today]. In the second phase, the school was re-organised into bubbles, which helped inform our plans for opening in September 2020.

Report from September to March 2020

We currently have no external data for the year ending 2020 due to the pandemic. School was in lockdown from March and no external exams or internal assessment could be carried out.

EYFS

Nursery

This cohort had many challenges as we had 10 children who were awaiting a multi-disciplinary assessment due to challenging needs. Support from outside agencies was limited and we had to employ two additional members of staff to support the challenging children. This put a strain on resources and the focus in the nursery was largely prime areas of learning, particularly PSED. However, we have now been able to secure additional support for most of these children. Using the Puffins Unit for 3 of them.

F1

Baseline for this cohort showed a high percentage of children achieving age related expectation in the prime areas of learning. This is a positive reflection on the focus placed on these in our nursery setting. The lowest 20% of readers were identified at baseline and extra support was put in place to ensure progress was made. The extra support was provided by a full time additional Teaching assistant. By Term 3 the children were making good progress with a target area being Number. The number of children working at age related expectation had increased, particularly with reading and writing.

Key Stage One

Phonics screening assessment in Term 2 for Year 1 showed that 72% of children were on track to pass with phonics screening and extra booster groups were set up for those who needed it. Year 2 were adapting to the more formal curriculum but were showing good progress towards the end of Key Stage 1 expectations.

Key Stage Two

NFER tests taken in Term 3 showed that approximately 75% of all year groups were working at age related expectations and were making good progress towards end of year goals. This is with the exception of Year 5 who were less than 75% in reading, writing and maths. This is due to the high level of SEN in the year group. Extra support and provision was intended for these children towards the end of the year, but due to lockdown this has been rolled into 2020-2021.

Willowcroft Academy Trust

Trustees' Report (continued)

Curriculum

A huge change for the year 2019-2020 was the development and implementation of the LEAP curriculum. This was designed to specifically meet the needs of the children in our school. We identified 4 key areas which we wanted our curriculum to address. These were the development of language, providing a wealth of experiences, developing a positive attitude to learning and empowerment for the children, so they realised they had the power to change the world. This works within a relevant, dilemma based curriculum, which spirals through each year group, developing knowledge and an increasing depth of thought.

Key Performance Indicators

Our financial performance has been affected, as detailed, on page 28 of the financial accounts because of the pandemic and the loss of self-generated income. Our unrestricted Reserves have decreased whilst reducing our GAG revenue reserves from last year by £53,000. The Trustees are mindful that this will have an impact on future growth and are looking into staffing and maximising the current use of the building.

Funding for the increased roll of extra pupils will not be received until 2021 to 2022.

Staffing salary costs (excluding FRS 102 pension costs) were 84% of total revenue income (78%:2019) and 89% of DfE and Local Authority revenue grants, the same as 2018. This shows better control of salaries against DfE income despite the withdrawal of high needs funding granted in our annual letter of funding issued in March 2019. All other supplies and services expenditure (excluding depreciation and LGPS actuarial revisions) was 18% (22%:2019) of total revenue income. Savings have been made in professional services and utilities due to the pandemic and 29% (24%:2019) of DfE and Local Authority revenue grants. ICT equipment purchased for teachers and support workers for zoom lessons during the pandemic.

Funding per pupil has not been increased from 2018/19. at £2806.76 per pupil. while costs of services and staffing have increased. Adding to this with the effect of cuts to children's centres and increasing levels of social care needs this is placing increasing financial and staffing demands on the school. EHCP funding is taking 6 months to be processed yet 1 to 1 staff are required immediately. A new class (Puffins) has replaced the DEN centre. The class is specifically for children with EHCP's. Government funding has not been matched to the care, teaching and resources required.

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.

Funding for core school activities was maintained from the ESFA during lockdown, and core school staff (teachers, teaching assistants and admin staff) were paid and were not furloughed in accordance with instruction from ESFA. Our breakfast and after school provision and our holiday club activities could not go ahead, and staff associated with this provision were furloughed. Our SBM kept a close eye on general expenditure to mitigate the loss of income from the after school activities. Although a substantial amount of income was not forthcoming for the second half of the year, the trustees do not consider that this will affect the on-going operation of the school as a going concern in the long term.

Willowcroft Academy Trust

Trustees' Report (continued)

Financial Review

Willowcroft Academy Trust has free reserves at the close of the accounting period of £85,602 revenue reserves and £184 capital reserves. At the close of the accounting period, the school had cash balances in the region of £139,000. The trustees have invested an additional £50,000 into a 32 day deposit account

Over 91% of the school's funding comes from the DfE and Local Authority. The trust runs a number of extra-curricular and school holiday activities in pursuance of its unrestricted aims, the trusts self-generated income has taken a significant loss against budget of just under £100,000 and will have a detrimental impact on the Trusts unrestricted reserves at the end of 2020. Two members of staff from extended school were furloughed until September 2020.

Pupil premium is a significant area of income for the school and the school has utilised the money to provide a range of educational and pastoral opportunities for those children attracting this funding. This includes forest school, small group interventions, play therapy, Inside Out allowing children to experience time with horses. £100 voucher is issued to every child in receipt of pupil premium that allows them to purchase items and pay for trips and other school activities. A learning mentor and safeguarding liaison officer is also funded by pupil premium funds. It has been the experience of the school to date that expenditure on pupil premium activities has exceeded the level of grant received, but careful monitoring ensures that grants are being used correctly.

Financial policies, including internal financial regulations have been subject to a full annual review against the Academies Financial Handbook issued by the EFSA.

Fundraising

Friends of Willowcroft School is a separate unregistered charity and acts as an effective fundraising committee for the school. The organised fundraising activities/events do not pressurise parents/carers into donating funds to Willowcroft Academy Trust.

As noted above under going concern, after school activities were unable to run during lockdown and the summer break, which lead to a reduction in self-generated income. This provision has restarted for the school year 20-21, though at a reduced volume, and is being carefully monitored.

Willowcroft Academy Trust

Trustees' Report (continued)

Reserves Policy

The school needs to hold an appropriate level of reserves in order to cushion the school's financial position in times of funding or cost fluctuations and in order to secure the future plans of the school. Levels of reserves which are too high tie up money which should be spent on current school activities. Levels of reserves which are too low may put the future activities of the school at risk. The trustees have approved a reserves level of £100,000. This is retained to allow for planned property maintenance and renewal, replacement and development of ICT equipment, and grounds development where these objects cannot be met from ongoing income.

The academy's reserves policy:

- Assists in strategic planning by considering how new projects or activities will be funded;
- Informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects;
- Informs the budget and risk management process by identifying any uncertainty in future income streams.

Of the free reserves mentioned above, £85,602 is held as unrestricted reserve and is working towards the initial target of reserves level set by the trustees, despite the reduction in this reserve of £10,127 in the year. It is expected to take a number of years to achieve a suitable level of reserve to deal with all the risks that the academy trust is exposed to, and setting suitable reserve targets will form an important part of the risk monitoring process by trustees.

The remaining reserves are brought forward GAG grant, which will be retained to fund year on year variations in funding and expenditure on educational activities, as set out in three and five year budgets which the trustees will approve. These restricted funds will, of course, be spent in accordance with the terms of the particular funds.

On 31 August 2020 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value and Pension Deficit):

	£
Unrestricted General Funds	85,602
Restricted Capital Funds	184
General Annual Grant (GAG)	4,994
Other Restricted General Funds	<u>14,953</u>
Total Reserves to 31 August 2020	<u>105,733</u>

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

Willowcroft Academy Trust

Trustees' Report (continued)

Investment Policy

The school aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the School aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds. The School does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow. The policy:

- Ensures adequate cash balances are maintained in the current account to cover day-to-day working capital requirements;
- Ensures there is no risk of loss in the capital value of any cash funds invested;
- Protects the capital value of any invested funds against inflation;
- Optimises returns on invested funds.

Principal Risks and Uncertainties

Risk is the threat that an event or action will adversely affect the Academy Trust's ability to achieve its objectives and to successfully execute its strategies. As such, risk management is an integral part of good governance and is a process whereby there is shared awareness and understanding within the school of the nature and extent of the risks it faces. Covid 19 has and remains a challenge to Governors/Head teachers that could not have been foreseen. Emergency meetings took place fortnightly with the full governing body to report and update the schools performance and challenges faced on a daily basis. Staff remain uncertain of the future.

Willowcroft Academy Trust has developed a risk management strategy for recognising, managing and tracking opportunities and risks. The governing body has made a considered choice about its desired risk profile, taking account of its legal obligations, its strategic objectives and public expectations of what it should deliver.

The Academy considers its main risks to be:

- Covid 19 outbreak in the school
- Potential to sustain unfavourable Ofsted inspections;
- Significant regression in pupil academic progress and attainment standards at the Academy;
- Fragmentation of OPEN network;
- Failure to maintain appropriate skills, knowledge and experience of Leadership Staff and Governors and maintenance of a succession plan;
- Significant/ catastrophic infrastructure failure requiring major capital funding;
- Major breach of HSE legislation.

The Finance and Resources committee regularly monitor and assess risks and, if required, work with the Senior Leadership Team to mitigate any specific issues.

Plans for Future Periods

- To ensure the well-being of staff and children
- To develop a robust learning platform to support online learning
- To close the gap in attainment, following the school closures during the current pandemic
- To improve attainment and progress in Maths and English

Willowcroft Academy Trust

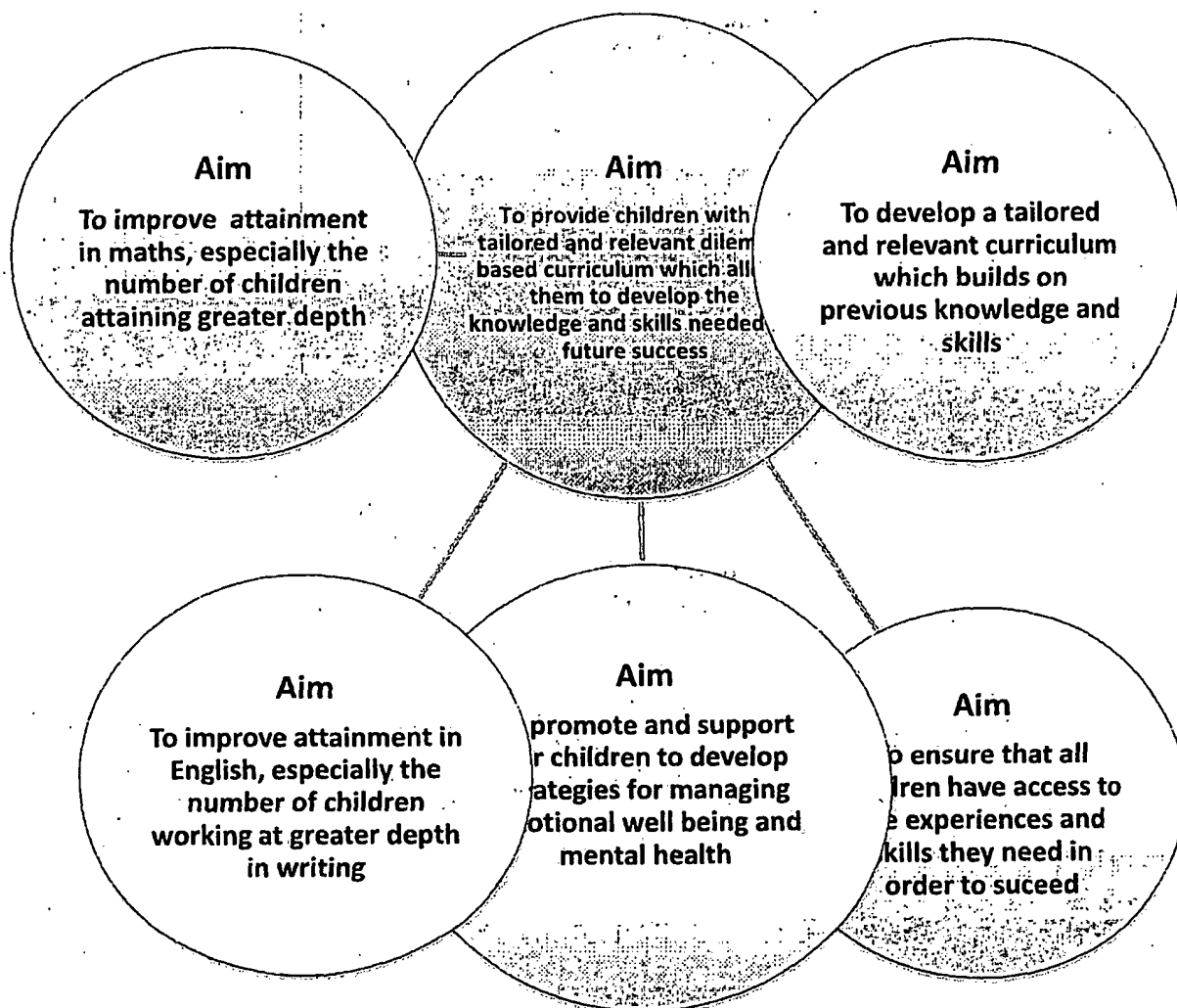
Trustees' Report (continued)

Improvement Priorities for the Year ending 31 August 2020:

Willowcroft Academy Trust works with other member schools of OPEN to provide an outstanding education for all our children. There are shared improvement objectives, which schools work on collaboratively, sharing expertise to improve outcomes in each school.

Willowcroft's improvement priorities are identified through rigorous self- evaluation, as well as through the OFSTED framework and by our annual Risk Assessment Visits from other OPEN member schools.

The areas below were identified as the key actions to effecting improved achievement in all priority areas of the RAP



Willowcroft Academy Trust

Trustees' Report (continued)

This will be achieved by:

- Ensuring effective management and adherence to identified school priority areas in all departments.
- Providing high quality learning, teaching and assessment in all areas, particularly with regard to the Foundation subjects and 'wider curriculum'
- Improving attendance, especially the attendance of pupils in receipt of pupil premium and those with SEND as well as reducing the number of persistent absentees.
- Improving outcomes in English- particularly reading, spelling and writing, and the percentage of children attaining at a greater depth.
- Improving outcomes in Maths, especially the percentage of children attaining at a greater depth.
- Continuing to improve the quality of provision in the Early Years to ensure that the percentage of children achieving a 'Good level of Development' is in line with National attainment.
- To begin to use Google Classroom as our platform for online learning and to produce a clear plan for working at home.

As mentioned previously, a growing school has funding pressures, as additional numbers do not attract matching funds for a full academic year. The trustees intend to monitor closely the financial performance of the school to ensure that the current excellent quality of teaching, learning and pastoral support can be maintained.

We are fortunate to lease a relatively new and well maintained building. An issue with the school flooring remains a cause for concern. Capital Bid Funding was declined but an appeal is being prepared under Health & Safety regulations.

Funds Held as Custodian Trustee on Behalf of Others

The trust holds no assets and funds as Custodian Trustee on behalf of others.

Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- 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.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 7th December 2020 and signed on the board's behalf by:



Mitt Nathwani
Chair of Trustees

Willowcroft Academy Trust

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Head Teacher 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 Willowcroft Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 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 Mitt Nathwani	3	3
Mr Malcolm Wright	0	1
Mr Malcolm Edge	3	3
Dr Joanne Flanagan	2	3
Mrs Elizabeth Jane Hemery (staff trustee)	3	3
Ms Amy SantCassia	0	3
Mr Richard Williams	3	3
Mr Simon Clarke	0	3
Mr Mocky Khan	2	3
Ms Amanda Doy (staff trustee)	3	3
Ms Ellen Reeve	0	1
Mr James Cane	2	2
Mr Toby Pilling	1	2

Resignations in the year:

- Mr Malcolm Wright 25th November 2019
- Ms A SaintCassia 26th August 2020
- Mrs Ellen Reeve 11th December 2019
- Mrs Gillian Gardiner (staff trustee) 24th August 2020
- Simon Clarke termination of community Governor 22nd June 2020

Willowcroft Academy Trust

Governance Statement (continued)

Appointments in the year:

- Mr James Cane 9th December 2019
- Mr Toby Pilling 15th December 2019
- Mr James Doman (staff trustee) 24th August 2020

The Governing Body held 3 extraordinary meetings to discuss and agree risk assessments and decisions surrounding Government guidelines relevant to Covid 19. These were held remotely on 19th May 2020, 8th July 2020 and 24th August 2020 after the resignation of the chair of Governors.

Governance Review

The Governors will undertake an internal review during the next financial year to assess the efficiency of current Governance and to identify any improvements needed or shortage of skills amongst the current Governing Body so that the appropriate training can take place or a decision can be made to recruit Governors with the appropriate skills.

Committees

The Finance and Resources committee is a sub-committee of the main board of trustees. Its purpose is to:

- Assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustee's responsibility to ensure sound management of the academy's finances;
- Ensure that the Academy undertakes proper financial planning, monitoring and probity;
- Make appropriate comments and recommendations on such matters to the board of trustees on a regular basis;
- Ensure major issues are referred to the board of trustees.

Key issues for the finance and resources committee were:

- Managing the budget of a school with a growing roll
- Ensuring the pupil premium funding is spent correctly
- Ensure they are updated on the monthly cash flow forecast
- Payroll issues

Trustee	Meetings attended	Out of a possible
Mr James Cane	2	2
Mr Mitt Nathwani	2	2
Mr Malcolm Edge	3	3
Mrs Elizabeth Jane Hemery	3	3
Mr Mocky Khan	3	3
Mr Richard Williams	3	3

The Audit Committee is a subcommittee of the Finance & Resources Committee and is held directly before the Finance & Resources meeting (all the members except for the Head Teacher and Business Manager). The purpose of the Audit Committee is to:

- Maintain an oversight of the Academy Trust's governance, risk management, internal control and value for money framework;
- Report its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Academy Trust's annual reporting requirements;

Willowcroft Academy Trust

Governance Statement (continued)

- The Audit Committee has no executive powers or operational responsibilities/duties.

Review of Value for Money

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

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

Areas where the trusts activities have contributed to achieving value for money:

- The Minibus contract was retendered making an annual saving of £1500.00.
- Departmental budgets are analysed on a monthly basis ensuring accuracy of spend against budget.
- Exercised due diligence with utilities, Fire alarm contract & extinguishers in October 2019 with an combined annual saving of £3000.

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 and includes reviewing controls and managing risks by:

- Monthly budget reporting to budget holders to ensure spending is within budget;
- Monthly budget reviews between Head Teacher and Business Manager to ensure income and expenditure are on target;
- Monthly Budget monitoring reports circulated to the Chair of Governors and Chair of Finance and Resources. A Business Managers report and Budget monitoring report is provided together with a Year End forecast at the Finance and Resources committee. Additional visits have been put in place from the chair of the Finance and Resources committee to review financial status.
- Financial risk assessment carried out at Finance and Resources committee level reviewing all areas of risk including:
 - Insurance
 - Pupil numbers
 - Key staff
 - Health & Safety
 - Seeking professional advice (HR/Legal) when necessary

The process is 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 Willowcroft Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Willowcroft Academy Trust
Governance Statement (continued)

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The finance and resources Chair invited the Department for Education to carry out a school resource management evaluation (SRMA) This was carried out in 12th and 13th March 2020.

The information below provides an analysis of income growth versus staff costs, expenditure and predicted costs for 2019/20,2020/21 and 2021/22:

3a. Spending as % of total expenditure*	2018/19	2019/20	2020/21	2021/22
Proportion of expenditure on total staff pay[1]	79.8%	81.9%	83.5%	84.6%
Proportion of expenditure on teaching staff	38.3%	43.6%	45.9%	47.2%
Proportion of expenditure on education support staff	32.0%	31.3%	30.6%	30.4%
Proportion of expenditure on administrative & clerical staff	6.0%	5.5%	5.4%	5.4%
Proportion of expenditure on senior leadership staff[2]	11.2%	10.3%	9.9%	9.7%
Proportion of expenditure on other staff costs	3.6%	1.6%	1.5%	1.5%
Proportion of expenditure on premises costs	4.3%	2.8%	2.7%	2.6%
Proportion of expenditure on energy costs	1.0%	1.1%	1.1%	1.1%
Proportion of expenditure on teaching resources	6.3%	6.6%	6.6%	5.7%
Proportion of expenditure on other non-staff costs (balancing line)	8.5%	7.4%	6.1%	6.0%
3b. Spending as % of total Income*	2018/19	2019/20	2020/21	2021/22

Willowcroft Academy Trust

Governance Statement (continued)

Proportion of income spent on all staff pay[1]	79.6%	82.3%	84.0%	85.6%
Proportion of income spent on teaching staff	38.2%	43.8%	46.2%	47.8%
Proportion of income spent on education support staff	31.9%	31.4%	30.8%	30.8%
Proportion of income spent on administrative & clerical staff	6.0%	5.5%	5.5%	5.5%
Proportion of income spent on senior leadership staff[2]	11.2%	10.3%	9.9%	9.8%
Proportion of income spent on other staff costs[3]	3.5%	1.6%	1.5%	1.5%
Proportion of income spent on premises costs	4.3%	2.9%	2.7%	2.7%
Proportion of income spent on energy costs	1.0%	1.1%	1.1%	1.1%
Proportion of income spent on teaching resources	6.3%	6.7%	6.6%	5.8%
Proportion of income spent on other non-staff costs (balancing line)	8.5%	7.5%	6.2%	6.1%

The report made a number of suggestions as a result of comparing key ratios with similar schools, and these and some other general suggestions around procurement will be considered by staff and the governing body in due course.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor. Chris Powell the director of finance from Ridgeway Education Trust carried out an internal assurance review in February 2019 covering payroll and Procurement.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On an annual basis, the auditor reports to the board of trustees, through the

Willowcroft Academy Trust
Governance Statement.(continued)

Finance and Resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The academy trust can confirm that the internal auditor has delivered their schedule of work as planned and that there have been no material control issues arising requiring remedial action.

Review of Effectiveness

As accounting officer the Head Teacher 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 internal control systems and has utilised the result of these reviews to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2020 and signed on its behalf by:



Mitt Nathwani
Chair of Trustees



Elizabeth Jane Hemery
Accounting Officer

Willowcroft Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Willowcroft Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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



Mrs Elizabeth Jane Hemery
Accounting Officer

7th December 2020

Willowcroft Academy Trust

Statement of Trustees' Responsibilities

The trustees (who act as governors of Willowcroft Academy Trust and 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 Annual 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 in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 7th December 2020 and signed on its behalf by:



Mr Mitt Nathwani
Trustee

Willowcroft Academy Trust

Independent Auditor's Report to the members of Willowcroft Academy Trust

Opinion on financial statements

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Report of the Directors and Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other

Willowcroft Academy Trust

Independent Auditor's Report to the members of Willowcroft Academy Trust (continued)

information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 22), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy 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.

Auditor's responsibilities for the audit of the financial statements

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

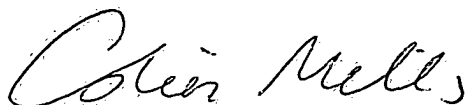
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Willowcroft Academy Trust

Independent Auditor's Report to the members of Willowcroft Academy Trust (continued)

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Colin Mills (Senior statutory auditor)
For and on behalf of Critchleys Audit LLP
Statutory Auditor
Oxford

Date: 6 January 2021

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

Willowcroft Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Willowcroft Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 23 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Willowcroft Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament, and the financial transactions conform to the authorities which govern them.

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

The accounting officer is responsible, under the requirements of Willowcroft Academy Trust's funding agreement with the Secretary of State for Education dated 29 May 2013 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

1. Reviewing the minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information.
2. Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
3. Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
4. Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
5. Consideration of whether activities carried out are within the charitable objects.

Willowcroft Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Willowcroft Academy Trust and the Education and Skills Funding Agency (continued)

Conclusion

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

Use of our report

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

Critchleys Audit LLP

Critchleys Audit LLP
Reporting Accountant
Oxford

Date: 6 January 2021

Willowcroft Academy Trust
Statement of Financial Activities
For the year ended 31 August 2020
(including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2019/20	Total 2018/19
	Note	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	1,691	2,060	13,263	17,014	33,355
Charitable activities						
Funding for the academy trust's educational operations	3	-	2,105,068	-	2,105,068	1,892,659
Other income for educational operations	4	130,186	-	-	130,186	196,121
Other trading activities	5	2,453	-	-	2,453	1,876
Investments	6	441	-	-	441	762
Total		134,771	2,107,128	13,263	2,255,162	2,124,773
Expenditure on:						
Charitable activities						
Grants						
Academy trust educational operations	7,8	130,186	2,366,822	84,211	2,581,219	2,350,324
Total		130,186	2,366,822	84,211	2,581,219	2,350,324
Net income / (expenditure) before transfers		4,585	(259,694)	(70,948)	(326,057)	(225,551)
Gross transfers between funds	15	(14,712)	14,712	-	-	-
Net income/(expenditure) for the period		(10,127)	(244,982)	(70,948)	(326,057)	(225,551)
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	15, 25	-	(5,000)	-	(5,000)	(339,000)
Net movement in funds		(10,127)	(249,982)	(70,948)	(331,057)	(564,551)
Reconciliation of Funds						
Funds brought forward at 1 September		95,729	(1,129,071)	3,238,545	2,205,203	2,769,754
Funds carried forward at 31 August		85,602	(1,379,053)	3,167,597	1,874,146	2,205,203

All of the cash flows are derived from continuing operations in the current accounting period.

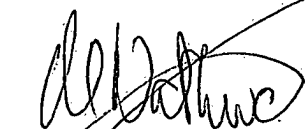
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Willowcroft Academy Trust
Balance sheet
As at 31 August 2020

Company number:
08516562

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		3,167,413		3,238,545
Current assets					
Debtors	13	113,761		85,441	
Cash at bank and in hand	22	138,673		218,618	
		<u>252,434</u>		<u>304,059</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(146,701)</u>		<u>(145,401)</u>	
Net current assets			<u>105,733</u>		<u>158,658</u>
Total assets less current liabilities			<u>3,273,146</u>		<u>3,397,203</u>
Net assets excluding pension liability			<u>3,273,146</u>		<u>3,397,203</u>
Defined benefit pension scheme liability	25		<u>(1,399,000)</u>		<u>(1,192,000)</u>
Total net assets			<u><u>1,874,146</u></u>		<u><u>2,205,203</u></u>
Funds of the academy trust:					
Restricted fixed asset funds	15		3,167,597		3,238,545
Restricted income fund	15	19,947		62,929	
Pension reserve	15	<u>(1,399,000)</u>		<u>(1,192,000)</u>	
			<u>(1,379,053)</u>		<u>(1,129,071)</u>
Total restricted funds			<u><u>1,788,544</u></u>		<u><u>2,109,474</u></u>
Unrestricted income funds	15		85,602		95,729
Total funds			<u><u>1,874,146</u></u>		<u><u>2,205,203</u></u>

The financial statements on pages 28 to 51 were approved by the trustees and authorised for issue on 7 December 2020 and are signed on their behalf by



Mitt Nathwani
Chair of Trustees

Willowcroft Academy Trust
Statement of Cash Flows
For the year ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities.			
Net cash provided by (used in) operating activities	19	(80,570)	(4,816)
Cash flows from investing activities	21	625	(18,297)
Cash flows from financing activities	20	-	-
Change in cash and cash equivalents in the reporting period		<u>(79,945)</u>	<u>(23,113)</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September	22	218,618	241,731
Cash and cash equivalents at 31 August	22	<u>138,673</u>	<u>218,618</u>

All of the cash flows are derived from continuing operations in the current accounting period.

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

1 Statement of Accounting Policies

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

Basis of Preparation

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

Willowcroft Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

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

Grants

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

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

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

Sponsorship Income

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

Donations

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

Other Income

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

1 Statement of Accounting Policies (continued)

Donated goods, facilities and services

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

Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

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.

The property transferred on conversion has been valued on a depreciated replacement cost basis which is not representative of market value (see note 12 for further details).

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.

1 Statement of Accounting Policies (continued)

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

Leasehold buildings	50 years from conversion
Leasehold improvements	10-50 years
Leasehold land	125 years
Fixtures, fittings and equipment	5 years
ICT equipment	3 years

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

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

Liabilities

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

Provisions

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

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

Leased Assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised costs as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1 Statement of Accounting Policies (continued)

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.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated 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. As stated in note 25, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The academy trust makes estimate 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.

1 Statement of Accounting Policies (continued)

Critical accounting estimates and areas of judgement (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 25).

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA capital grants				
Devolved formula capital grant	-	8,639	8,639	24,241
Other Government grants				
Local authority capital grants	-	4,624	4,624	-
	<u>-</u>	<u>13,263</u>	<u>13,263</u>	<u>24,241</u>
 Other donations	 1,691	 2,060	 3,751	 9,114
	<u>1,691</u>	<u>15,323</u>	<u>17,014</u>	<u>33,355</u>

The income from donations and capital grants was £17,014 (2018/19: £33,355) of which £1,691 was unrestricted (2018/19: £209), £2,060 restricted (2018/19: £8,905) and £13,263 restricted fixed assets (2018/19: £24,241).

3 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,458,298	1,458,298	1,448,679
Other DfE Group grants	-	257,412	257,412	234,370
	<u>-</u>	<u>1,715,710</u>	<u>1,715,710</u>	<u>1,683,049</u>
 Other Government grants				
Early Years funding	-	243,551	243,551	187,045
Local authority revenue grants	-	116,174	116,174	22,565
	<u>-</u>	<u>359,725</u>	<u>359,725</u>	<u>209,610</u>
 Exceptional government funding				
Coronavirus Job Retention Scheme grant	-	17,260	17,260	-
Coronavirus exceptional support	-	12,373	12,373	-
	<u>-</u>	<u>29,633</u>	<u>29,633</u>	<u>-</u>
	<u>-</u>	<u>2,105,068</u>	<u>2,105,068</u>	<u>1,892,659</u>

The funding for the academy's educational operations was £2,105,068 (2018/19: £1,892,659) of which £Nil was unrestricted (2018/19: £Nil), £2,105,068 restricted (2018/19: £1,892,659) and £Nil restricted fixed assets (2018/19: £Nil).

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 above under "exceptional government funding."

- The funding received for coronavirus exceptional support covers £12,373 of additional catering costs relating to the provision of free school meals. These costs are included in notes 7 and 8 below.

- The academy furloughed some of its 2 year old private education and holiday club/after school club staff under the government's CJRS. The funding received of £17,260 relates to staff costs in respect of 4 staff which are included within note 9 below.

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

4 Other income for educational operations

	Unrestricted Funds	Restricted Funds	Total 2019/20	Total 2018/19
	£	£	£	£
Trip and activity income	17,720	-	17,720	25,251
Catering income	-	-	-	371
Extended school clubs	87,802	-	87,802	127,458
Breakfast and after school clubs	8,168	-	8,168	17,886
Early Years other income	4,903	-	4,903	-
Other income	11,593	-	11,593	25,155
	<u>130,186</u>	<u>-</u>	<u>130,186</u>	<u>196,121</u>

The other income for educational operations was £130,186 (2018/19: £196,121) of which £130,186 was unrestricted (2018/19: £196,121), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

5 Other trading activities

	Unrestricted Funds	Restricted Funds	Total 2019/20	Total 2018/19
	£	£	£	£
Hire of facilities	2,453	-	2,453	1,876
	<u>2,453</u>	<u>-</u>	<u>2,453</u>	<u>1,876</u>

The other trading activities income was £2,453 (2018/19: £1,876) of which £2,453 was unrestricted (2018/19: £1,876), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

6 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2019/20	Total 2018/19
	£	£	£	£
Bank interest	441	-	441	762
	<u>441</u>	<u>-</u>	<u>441</u>	<u>762</u>

The investment income was £441 (2018/19: £762) of which £441 was unrestricted (2018/19: £762), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

7 Expenditure

	Staff Costs £	Non Pay Expenditure Premises Costs £	Other Costs £	Total 2019/20 £	Total 2018/19 £
Academy's educational operations:					
Direct costs (note 8)	1,626,550	-	149,305	1,775,855	1,518,246
Allocated support costs (note 8)	456,370	118,583	230,411	805,364	737,725
	<u>2,082,920</u>	<u>118,583</u>	<u>379,716</u>	<u>2,581,219</u>	<u>2,255,971</u>
	<u>2,082,920</u>	<u>118,583</u>	<u>379,716</u>	<u>2,581,219</u>	<u>2,255,971</u>

The expenditure on raising funds was £Nil (2018/19: £Nil) of which £Nil was unrestricted (2018/19: £Nil), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

The expenditure on academy's educational operations was £2,581,219 (2018/19: £2,255,971) of which £130,186 was unrestricted (2018/19: £196,121), £2,366,822 restricted (2018/19: £2,072,068) and £84,211 restricted fixed assets (2018/19: £82,135).

Net income/(expenditure) for the period includes:

	2019/20 £	2018/19 £
Operating lease rentals	14,215	14,857
Depreciation	84,211	82,135
Fees payable to auditor for:		
Audit	3,830	3,700
Other services	<u>5,610</u>	<u>4,045</u>

8 Charitable Activities

	Total 2019/20 £	Total 2018/19 £
Direct costs - educational operations	1,775,855	1,585,033
Support costs - educational operations	<u>805,364</u>	<u>765,291</u>
	<u>2,581,219</u>	<u>2,350,324</u>

Analysis of support costs

	Educational operations £	Total 2019/20 £	Total 2018/19 £
Support staff costs	254,370	254,370	268,481
Depreciation	84,211	84,211	82,135
Technology costs	14,868	14,868	11,408
Premises costs	118,583	118,583	112,739
Other support costs	102,071	102,071	101,227
Governance costs	29,261	29,261	21,301
Other pension costs	178,000	178,000	148,000
Other finance costs (FRS102 pension)	24,000	24,000	20,000
Total support costs	<u>805,364</u>	<u>805,364</u>	<u>765,291</u>

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

9 Staff

a. Staff costs

Staff costs during the period were:

	2019/20	2018/19
	£	£
Wages and salaries	1,446,772	1,312,898
Social security costs	115,469	108,695
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	295,230	215,058
FRS102 Other pension and finance costs	202,000	168,000
	<u>2,059,471</u>	<u>1,804,651</u>
Agency staff costs	3,449	35,652
Staff restructuring costs	20,000	-
	<u>2,082,920</u>	<u>1,840,303</u>
Staff restructuring costs comprise:		
Severance payments	20,000	-
	<u>20,000</u>	<u>-</u>

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £20,000 (2018/19: £Nil).

Individually, the payments were: £20,000.

c. Staff numbers

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

	2019/20	2018/19
	No.	No.
Teachers	21	14
Management	4	4
Administration and support	48	44
	<u>73</u>	<u>62</u>

The average number of persons (including senior leadership team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	2019/20	2018/19
	No.	No.
Teachers	14	16
Management	4	4
Administration and support	38	33
	<u>56</u>	<u>53</u>

d. Higher paid staff

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

	2019/20	2018/19
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management 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 £314,399 (2018/19: £283,915).

10 Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts of employment.

	For the year ended 31 August 2020		For the year ended 31 August 2019	
	Remuneration excl. pension £	Employer's pension contributions paid £	Remuneration excl. pension £	Employer's pension contributions paid £
J Hemery, Headteacher Governor and Trustee (appointed 3 May 2013)	£70k - £75k	£15k - £20k	£65k - £70k	£10k - £15k
A. Doy, Staff Governor and Trustee (appointed 1 September 2016)	£55k - £60k	£10k - £15k	£50k - £55k	£5k - £10k
G. Gardiner, Staff Governor and Trustee (appointed 1 September 2016)	£20k - £25k	£0k - £5k	£20k - £25k	£0k - £5k

During the period ended 31 August 2020, expenses relating to mileage and reimbursements for school consumables totalling £63 were reimbursed or paid directly to 1 trustee (2018/19: £380 to 1 trustees).

11 Trustees and officers insurance

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

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

12 Tangible fixed assets

	Leasehold Buildings £	Furniture and Equipment £	Computer Equipment £	2019/20 Total £
Cost				
As at 1 September 2019	3,581,765	72,567	37,466	3,691,798
Additions	-	-	13,079	13,079
As at 31 August 2020	<u>3,581,765</u>	<u>72,567</u>	<u>50,545</u>	<u>3,704,877</u>
Depreciation				
As at 1 September 2019	378,843	47,846	26,564	453,253
Charges in period	65,669	12,516	6,026	84,211
As at 31 August 2020	<u>444,512</u>	<u>60,362</u>	<u>32,590</u>	<u>537,464</u>
Net book values				
As at 31 August 2020	<u>3,137,253</u>	<u>12,205</u>	<u>17,955</u>	<u>3,167,413</u>
As at 1 September 2019	<u>3,202,922</u>	<u>24,721</u>	<u>10,902</u>	<u>3,238,545</u>

Leasehold land and buildings

The Academy Trust holds a long lease over the land and buildings of the School site. In determining valuations for the leasehold property, the Trustees have referred to the valuations arranged by the ESFA which were carried out on a desktop depreciated replacement cost basis. The freehold of these land and buildings is owned by the respective Local Authorities. These are recognised in the accounts as the academy trust has the right to use the property.

Additions in the year include laptops and Chrome Books.

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

13 Debtors

	2019/20	2018/19
	£	£
Trade debtors	6,257	8,326
VAT recoverable	14,042	18,898
Prepayments and accrued income	89,637	57,226
Other debtors	3,825	991
	<u>113,761</u>	<u>85,441</u>

14 Creditors: amounts falling due within one year

	2019/20	2018/19
	£	£
Trade creditors	29,434	53,521
Other taxation and social security	30,156	27,057
Other creditors	33,251	25,240
Accruals and deferred income	53,860	39,583
	<u>146,701</u>	<u>145,401</u>

Deferred income

	2019/20	2018/19
	£	£
Deferred income at 1 September	34,983	63,194
Released from previous years	(34,983)	(63,194)
Resources deferred in the period	44,020	34,983
Deferred income at 31 August 2020	<u>44,020</u>	<u>34,983</u>

At the balance sheet date the academy trust was holding funding received specifically for the next financial year.

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

15 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	58,234	1,458,298	(1,526,250)	14,712	4,994
Pupil Premium funding	-	129,151	(129,151)	-	-
Other DfE funding	2,095	128,261	(118,363)	-	11,993
Local authority revenue funding	-	359,725	(359,725)	-	-
Other grants and donations	2,600	2,060	(1,700)	-	2,960
Other restricted funding	-	29,633	(29,633)	-	-
Pension reserve (note 25)	(1,192,000)	-	(202,000)	(5,000)	(1,399,000)
	<u>(1,129,071)</u>	<u>2,107,128</u>	<u>(2,366,822)</u>	<u>9,712</u>	<u>(1,379,053)</u>
Restricted fixed asset funds					
ESFA Devolved Formula Capital	-	8,639	-	(8,455)	184
Local authority capital funding	-	4,624	-	(4,624)	-
Fixed asset fund (note 12)	<u>3,238,545</u>	<u>-</u>	<u>(84,211)</u>	<u>13,079</u>	<u>3,167,413</u>
	<u>3,238,545</u>	<u>13,263</u>	<u>(84,211)</u>	<u>-</u>	<u>3,167,597</u>
Total restricted funds	<u><u>2,109,474</u></u>	<u><u>2,120,391</u></u>	<u><u>(2,451,033)</u></u>	<u><u>9,712</u></u>	<u><u>1,788,544</u></u>
Unrestricted funds					
Unrestricted funds	95,729	134,771	(130,186)	(14,712)	85,602
Total unrestricted funds	<u>95,729</u>	<u>134,771</u>	<u>(130,186)</u>	<u>(14,712)</u>	<u>85,602</u>
Total funds	<u><u>2,205,203</u></u>	<u><u>2,255,162</u></u>	<u><u>(2,581,219)</u></u>	<u><u>(5,000)</u></u>	<u><u>1,874,146</u></u>

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2020.

Pupil Premium Funding represents funding received from the Department for Education (DfE) to raise the attainment of disadvantaged pupils of all abilities. The eligibility of the pupils and rates of grant per pupil are set-out by the DfE. This funding is to be used for the provision of education.

Other DfE funding represents other forms of funding received from the Department for Education. This includes but is not limited to Rates Relief Income, UIFSM funding and PE grant.

Local Authority Revenue funding represents various grant funding provided by Local Authorities. Including Early Years Funding for the placement of 2 - 4 year olds.

Restricted general funds, Other grants and donations represent amounts given to the academy trust for specific revenue purposes.

The pension reserve fund separately identifies the pension deficit on the Local Government Pension Scheme, and through which all the movements on the pension scheme are recognised.

Devolved Formula Capital represents funding provided by the Department for Education to be used for capital projects. This funding may be used for specific capital projects which are not considered to be fixed asset additions.

Local Authority Capital Funding includes various grant funding provided by Local Authorities.

The Fixed Asset fund recognises the net book value of tangible and fixed assets transferred to the trust on conversion and additions since conversion.

Unrestricted funds represent other income to the academy trust which is not received as funding or with a specific

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

15 Funds (continued)

Comparative Funds

	Balance at 1 September £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	79,333	1,448,679	(1,453,993)	(15,785)	58,234
Pupil Premium funding	-	135,056	(135,056)	-	-
Other DfE funding	-	99,314	(97,219)	-	2,095
Local authority revenue funding	-	209,610	(209,610)	-	-
Other grants and donations	1,885	8,905	(8,190)	-	2,600
Pension reserve (note 25)	(685,000)	-	(168,000)	(339,000)	(1,192,000)
	<u>(603,782)</u>	<u>1,901,564</u>	<u>(2,072,068)</u>	<u>(354,785)</u>	<u>(1,129,071)</u>
Restricted fixed asset funds					
EFA Devolved Formula Capital	3,274	24,241	-	(27,515)	-
Local authority capital funding	-	-	-	-	-
Fixed asset fund (note 12)	3,277,380	-	(82,135)	43,300	3,238,545
	<u>3,280,654</u>	<u>24,241</u>	<u>(82,135)</u>	<u>15,785</u>	<u>3,238,545</u>
Total restricted funds	<u>2,676,872</u>	<u>1,925,805</u>	<u>(2,154,203)</u>	<u>(339,000)</u>	<u>2,109,474</u>
Unrestricted funds					
Unrestricted funds	92,882	198,968	(196,121)	-	95,729
Total unrestricted funds	<u>92,882</u>	<u>198,968</u>	<u>(196,121)</u>	<u>-</u>	<u>95,729</u>
Total funds	<u>2,769,754</u>	<u>2,124,773</u>	<u>(2,350,324)</u>	<u>(339,000)</u>	<u>2,205,203</u>

Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2019.

16 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	3,167,413	3,167,413
Current assets	85,602	166,648	184	252,434
Current liabilities	-	(146,701)	-	(146,701)
Pension Scheme liability	-	(1,399,000)	-	(1,399,000)
Total net assets	<u>85,602</u>	<u>(1,379,053)</u>	<u>3,167,597</u>	<u>1,874,146</u>

Comparative analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	3,238,545	3,238,545
Current assets	95,729	208,330	-	304,059
Current liabilities	-	(145,401)	-	(145,401)
Pension Scheme liability	-	(1,192,000)	-	(1,192,000)
Total net assets	<u>95,729</u>	<u>(1,129,071)</u>	<u>3,238,545</u>	<u>2,205,203</u>

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

17 Capital commitments

	2019/20 £	2018/19 £
Contracted for, but not provided in the financial statements	-	-

18 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019/20 £	2018/19 £
Amounts due within one year	7,423	12,297
Amounts due between one and five years	17,967	2,700
Amounts due after five years	-	-
	<u>25,390</u>	<u>14,997</u>

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019/20 £	2018/19 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(326,057)	(225,551)
Adjusted for:		
Depreciation (note 12)	84,211	82,135
Capital grants from DfE and other capital income	(13,263)	(24,241)
Interest receivable (note 6)	(441)	(762)
Defined benefit pension scheme cost less contributions payable (note 25)	178,000	148,000
Defined benefit pension scheme finance cost (note 25)	24,000	20,000
(Increase)/decrease in debtors	(28,320)	17,475
Increase/(decrease) in creditors	1,300	(21,872)
Net cash used in operating activities	<u>(80,570)</u>	<u>(4,816)</u>

20 Cash flows from financing activities

	2019/20 £	2018/19 £
Repayments on borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>

21 Cash flows from investing activities

	2019/20 £	2018/19 £
Dividends, interest and rents from investments	441	762
Purchase of tangible fixed assets	(13,079)	(43,300)
Capital grants from DfE Group	13,263	24,241
Net cash provided by/(used in) investing activities	<u>625</u>	<u>(18,297)</u>

22 Analysis of cash and cash equivalents

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	218,618	(79,945)	138,673
Total cash and cash equivalents	<u>218,618</u>	<u>(79,945)</u>	<u>138,673</u>

23 Contingent liabilities

There are no contingent liabilities that require disclosure.

24 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.

25 Pension and similar obligations

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

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

Contributions amounting to £33,089 were payable to the schemes at 31 August 2020 (2019: £25,218) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the member and employer make 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.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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% employer administration charge)
- 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. The 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%.

25 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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

The pension costs paid to TPS in the period amounted to £174,163 (2019: £101,058).

A copy of the valuation report is on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case has now been referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Under the definitions set out in FRS 102, the TPS is a 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.

25 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £158,000 (2019: £147,000), of which employer's contributions totalled £121,000 (2019: £114,000) and employees' contributions totalled £37,000 (2019: £33,000). The agreed contribution rates applicable until 31 March 2020 were 19.3% for employers and 5.5-12.5% for employees. Agreed contribution rates in effect from 1 April 2020 are 20.5% for employers and an average of 6.5% for employees.

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

Principal actuarial assumptions

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	2.20%	3.80%
Rate of increase for pensions in payment / inflation	2.20%	2.30%
Discount rate for scheme liabilities	1.70%	1.90%
Inflation assumption (CPI)	0.50%	1.70%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity Analysis - Effect on Scheme Liabilities

	At 31 August 2020	At 31 August 2019
Present value of total obligation	£	£
Discount rate +0.1%	2,576,000	2,203,000
Discount rate -0.1%	2,736,000	2,331,000
Mortality assumption - 1 year increase	2,635,000	2,249,000
Mortality assumption - 1 year decrease	2,677,000	2,285,000
CPI rate +0.1%	2,580,000	2,213,000
CPI rate -0.1%	2,732,000	2,321,000

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.2	22.7
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	22.9	24.0
Females	25.6	25.7

25 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2020 £	Fair value at 31 August 2019 £
Equities	881,000	741,000
Corporate bonds	251,000	226,000
Property	75,000	65,000
Cash and other liquid assets	50,000	43,000
Total market value of assets	1,257,000	1,075,000
Present value of scheme liabilities		
- Funded	(2,656,000)	(2,267,000)
Surplus/(deficit) in the scheme	(1,399,000)	(1,192,000)

The actual return on scheme assets was £25,000 (2019: £34,000).

Amounts recognised in the statement of financial activities

	2019/20 £	2018/19 £
Current service cost (net of employee contributions)	299,000	219,000
Past service cost	-	43,000
Net interest cost	24,000	20,000
Total amount recognised in the SOFA	323,000	282,000

Willowcroft Academy Trust
Notes to the financial statements
For the year ended 31 August 2020

25 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2019/20	2018/19
	£	£
At 1 September	2,267,000	1,567,000
Current service cost	299,000	219,000
Interest cost	46,000	47,000
Employee contributions	37,000	33,000
Actuarial (gain)/loss	23,000	367,000
Estimated benefits paid net of transfers in	(16,000)	(9,000)
Past service cost	-	43,000
	<u>2,656,000</u>	<u>2,267,000</u>

At 31 August

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

	2019/20	2018/19
	£	£
At 1 September	1,075,000	882,000
Interest on assets	22,000	27,000
Return on assets less interest	18,000	28,000
Employer contributions	121,000	114,000
Employee contributions	37,000	33,000
Benefits paid	(16,000)	(9,000)
	<u>1,257,000</u>	<u>1,075,000</u>

At 31 August

Reconciliation of opening and closing deficit				
	2019/20		2018/19	
	£	£	£	£
Pension deficit at 1 September		(1,192,000)		(685,000)
Current service cost	(299,000)		(219,000)	
Past service cost	-		(43,000)	
Employer contributions	<u>121,000</u>		<u>114,000</u>	
Additional pension cost		(178,000)		(148,000)
Other finance costs		(24,000)		(20,000)
Actuarial gains/(losses)		<u>(5,000)</u>		<u>(339,000)</u>
Pension deficit at 31 August		<u><u>(1,399,000)</u></u>		<u><u>(1,192,000)</u></u>

26 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 when required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account.

Expenditure Related Party Transactions

O Williams

O Williams (step-daughter of A Doy, Staff Trustee) received remuneration during the year, for work as a teaching assistant, of £12,751 (2019: £3,000), expenses of £Nil (2019: £Nil) and employer pension contributions amounted to £2,116 (2019: £Nil). The amount owed to O Williams as at 31 August 2020 was £Nil (2019: £Nil).

O Williams' appointment was made in open competition and A Doy was not involved in the decision-making process regarding appointment. O Williams is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.