

WESTFIELD ACADEMY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

Members

| | | | |
|---------------|-------------------------|-----------------|---------------------|
| A Farrer | Signatory to Memorandum | From 13.05.2013 | |
| I. Phillips | Member appointment | From 16.05.2019 | |
| D. Wadia | Member appointment | From 16.05.2019 | |
| J. Rubinstein | Member appointment | From 22.02.2021 | |
| D. Yuill | Signatory to Memorandum | From 13.05.2013 | Resigned 08.09.2020 |
| S. Singh | Member appointment | From 18.12.2019 | Resigned 14.12.2020 |
| G. O'Neill | Member appointment | From 09.12.2019 | Resigned 14.12.2020 |

Trustees

| | | | |
|--------------|---------------------------|-----------------|---------------------|
| T Body | Ex officio | From 13.05.2013 | |
| A Farrer | Member appointed | From 01.02.2019 | |
| B. Mallett | Member appointed | From 20.11.2018 | |
| R. Saund | Trustee co-opted | From 03.10.2019 | Resigned 28.09.2020 |
| R. Venchard | Trustee co-opted | From 09.04.2019 | |
| J. Willcocks | Trustee co-opted | From 14.10.2019 | Resigned 09.10.2020 |
| D. Yuill | Member appointed, renewed | From 05.07.2016 | Resigned 08.09.2020 |
| K. Sterling | Elected by Parents | From 16.06.2020 | |
| V. Assani | Trustee co-opted | From 16.07.2020 | |
| T. Collins | Trustee co-opted | From 22.04.2020 | Resigned 21.07.2021 |
| S. Ville | Trustee co-opted | From 16.07.2020 | |
| R. Higginson | Trustee co-opted | From 17.06.2020 | |
| A. Chaudhry | Member appointed | From 05.05.2021 | |
| B. Pandit | Member appointed | From 17.12.2020 | |
| R. Preston | Member appointed | From 05.05.2021 | |

Company Secretary

n/a

Senior Management Team

| | |
|---------------------------|----------------|
| Headteacher | Tim Body |
| Senior Deputy Headteacher | Peter Creber |
| Deputy Headteacher | Ishrat Riaz |
| Deputy Headteacher | Alison Hartley |
| School Business Manager | Shibani Patel |

Company Name

Westfield Academy

Principal and Registered Office

Tolpits Lane, Watford, Hertfordshire, WD18 6NS

Company Registered Number

08526440 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, 4 Foundation Park, Roxborough Way, Maidenhead, SL6 3UD

Bankers

Lloyds Bank Plc, 67 High Street, Watford, Hertfordshire WD17 2DU

Solicitors

Winckworth Sherwood, Minerva House, 5 Montague Close, London SE1 9BB

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements and auditor's report of the charitable company for the year ending 31 August 2021. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Academy Trust operates a non-selective academy for students aged 11 to 18 serving a catchment area in and around Watford. The Westfield Academy new build (2016) has a physical capacity of 1,600 students. As at 31st October 2021, there were 1212 students on roll on the school census report.

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 Westfield Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as Westfield Academy.

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

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

The Trustees are indemnified in respect of their duties on behalf of Westfield Academy to the extent that they are covered under the ESFA'S Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees from claims arising from negligent acts, errors or omission occurring whilst on academy business. It is not possible to quantify the Trustees and Officer Indemnity element from the overall cost of the RPA scheme.

Method of Recruitment and Appointment or Election of Trustees

The Management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. During the year to 31st August 2021, Westfield Academy was greatly assisted in its search for new Trustees by Academy Ambassadors (www.academyambassadors.org). In September 2021 the intention is to recruit one more Trustee from the parent body.

Policies and Procedures Adopted for the Induction and Training of Trustees

Newly appointed Governors are provided with key documents, including policies, procedures, accounts, budgets, recent minutes, internal audits, external audits, the most recent OFSTED report and other documents that they will need to understand their role as Trustees.

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

Organisational Structure

| Group | Main responsibilities |
|---|--|
| Members | Holds the Board of Trustees to account by: <ul style="list-style-type: none">• Ensuring the compliance of the Board with key governance, trust and companies acts requirements;• Challenging the progression of activities associated with the school improvement plan and the school's strategic direction. |
| Board of Directors / Trustees / Governors | Responsible for: <ul style="list-style-type: none">• Determining the overall strategic direction of Westfield Academy;• Fulfilling the statutory responsibilities which may not be delegated to sub-committees;• Holding the academy executive to account;• Carrying out the manifold governance duties stipulated by the ESFA – both as a team and as individual Trustees. |
| Resources sub-committee | Has delegated responsibility for Finance, Premises, Personnel, Pay and Audit. This entails: <ul style="list-style-type: none">• Considering evidence of effective use of resources• Approving deployment of resources;• Overseeing the outsourcing of supporting activities• Observing the legal and regulatory expectations relating to the above matters, which are placed upon an academy such as Westfield by the authorities. |
| Attainment & Achievement sub-committee | Has delegated responsibility for education and personal development of students. This means that the committee is obliged to: <ul style="list-style-type: none">• Consider evidence of student academic attainment and progress and student attendance and behaviour;• Consider and approve curriculum and extra curriculum provision and confirm the teaching and support staff resources required;• Consider staff development and well-being. |
| Head's appraisal panel | Review Headteacher's performance compared to objectives and targets for current calendar year and set new objectives and targets for the next calendar year. |

Organisational Development

The ESFA issued a notice known as a "Financial Notice To Improve" (FNTI) in September 2018. This was successfully removed by the ESFA in July 2021.

The Board wishes to thank the ESFA for its support and guidance throughout this financial year and their assistance in the FNTI removal. The Board will still continue to draw upon the skills, advice and services of Academy Ambassadors to further strengthen the Board.

The Trustee board currently only has one parent trustee. We are having a large student intake in Sept 2021 (approx. 270) so we intend to recruit another parent Trustee in the autumn term. (2021/22.)

As with all of the education sector there has been significant impact during 2020/21 due to the current pandemic. The Academy however feels it handled this situation well with a move to online meetings (via "teams") and strong remote learning, initially via Edmodo and eventually via the Google classroom. During the "lockdown" the Academy ensured that there was high quality provision for its vulnerable students, on-site.

Main Board and Committee meetings were held virtually during the 'lockdown' period and these work very effectively. A decision has been made to run these meetings alternatively in-person and virtually in the new academic year to offer more flexibility of attendance.

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

Organisational Development (continued)

Throughout the year ending 31st of August 2021, the structure below was retained:

- Senior Leadership Team meets regularly to review the operation of the Academy and the implementation of the policies and procedures and to review the effectiveness of its activities and the quality of Teaching & Learning. Findings and proposals are presented to the Governing Body. In November 2020 the board appointed a School Business Manager to lead on finance and business matters moving forwards.
- Resources Committee: meets regularly to review matters primarily related to "Non-Teaching" aspects of the school such as Finance, Day to Operations (Premises), Risk Management, Human Resources, Policies, Contractual Issues, Business Development and Procurement.
- Achievement & Attainment Committee: Meetings are primarily focused on Academic performance of the Students and Monitoring systems that have been put in place to ensure that targets are met.

In the year to come, a Pay Committee will be founded to offer further support to the school executive and to enable Board representatives the time and forum to support this important aspect of academy business.

Headteacher: The Headteacher is appointed by the Board of Trustees to manage the day-to-day operations of the Academy. In order to facilitate effective and efficient day-to day operations and monitoring of existing systems, the Headteacher has delegated authority with the terms approved by the Trustees for operational matters within the Academy's Senior Leadership Team. The Headteacher is also the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Neither Members nor Trustees receive any payments for their duties as Members or Trustees. Nor do they receive payment from Westfield Academy for any other reason, with the exception of The Headteacher who is an ex-officio Trustee.

During the year ending 31st August 2021 no Trustees received any benefits in kind.

During the year ending 31st August 2021 no Trustees received any reimbursement of expenses.

All staff are subject to an annual performance review which determines whether they receive a pay increase which is ratified by the full Trustee Board.

Trade union facility time

Relevant union officials

| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
|--|--------------------------------------|
| 2 | |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | |
| 1%-50% | 2 |
| 51%-99% | |
| 100% | |

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

Trade union facility time (continued)

Percentage of pay bill spent on facility time

| | |
|---|------------|
| Provide the total cost of facility time | £5,400 |
| Provide the total pay bill | £4,638,067 |
| Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100 | 0.12% |

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

47
120

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy aims to;

- Enable all students to grow into responsible, fulfilled adults with the skills and confidence to shape their futures
- Create an environment which models high standards of respect, care and tolerance.
- Offer all students the best possible opportunities to succeed

Objectives, Strategies and Activities

During the year Westfield Academy has worked towards achieving these aims by;

- Ensuring all students have access to the same high-quality education in terms of resourcing, tuition and pastoral care.
- Offering a broad and balanced curriculum designed to meet the needs of all our student intake, regardless of background or ability, allowing them all the opportunity to succeed
- Ensuring the highest level of student conduct in the Academy. Making them a credit to the community as well as creating a positive learning culture in which all students will thrive.
- Placing a high focus on the recruitment and training of staff. Developing the best possible staff to ensure lessons are richly resourced, well-managed and engaging.
- Maintaining a drive on excellent teaching and learning in the classroom, through high expectations, strong Continual Professional Development and close monitoring and analysis.
- Ensuring all students are focused on their specific outcomes through setting high, achievable targets, regular marking and feedback as well as strong data tracking and clear reporting systems.
- Setting and maintaining the highest expectations of all our staff and students focusing on our core beliefs as depicted in our school motto **Believe, Strive, Achieve**

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

Public Benefit

The trustees are satisfied that Westfield Academy has complied with its requirement for the public benefit of secondary education for boys and girls in the West Watford and surrounding areas. This is demonstrated by the strong "above average" GCSE results and increasing student numbers.

In setting our objective and planning out activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

Achievements and Performance

In December 2019, we had our last OFSTED inspection. This was an extremely positive experience for the academy. We were pleased once again to be judged as "Good." This means the academy has now been judged "Good" in 2012, 2016 and 2019.

"Leaders at all levels have high aspirations for pupils. Most pupils attend regularly. They make good progress and achieve well, particularly in English and science."

*"A newly formed governing body has an accurate understanding of the strengths and weaknesses of the school. It is effective in monitoring the work of leaders and helping to plan and deliver improvements. Members are proud of the school's growing reputation in the local community."*¹

2020/21 was a challenging year. It started with all students returning to the academy in person but working in "bubbles." This worked well, but it was also clear that there had been a significant impact on our students during 2019/20. In January 2021 we moved to lockdown until March 2021. Through this period, we supported vulnerable students on-site and students off-site through "remote learning." (Using Edmodo.)

As with the previous year, external exams were cancelled, and Year 11 and 13 students' results were based on teacher assessments. We put in place a rigorous process to ensure all grades were scrutinised before publication. Whilst we stand behind the rigour of these grades they cannot be directly compared to previous years as that would not be a "like for like" comparison. Our challenge was to ensure that these "outcomes" fitted the previous three year upward trend for the academy.

¹ OFSTED. Dec 2019

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

Achievements and Performance (continued)

| Year 11 | 17/18 | 18/19 | 19/20² | 20/21³ |
|-------------------------------------|--------------|--------------|--------------------------|--------------------------|
| %English & Maths Pass | 56% | 57% | 63.7% | 65% |
| %English & Maths Good Pass | 31% | 36% | 42.80% | 41.4% |
| Progress 8 | 0.15 | 0.31 | N/A | N/A |
| Progress 8 – disadvantaged students | -0.37 | -0.08 | N/A | N/A |
| Ave Att 8 | 4.3 | 4.7 | 4.9 | 4.9 |
| % English Pass | 62% | 81.4 % | 80 % | 81% |
| % English Good Pass | 45% | 65.1 % | 61 % | 57% |
| % Maths Pass | 58% | 60.5 % | 64.80% | 68% |
| % Maths Good Pass | 35% | 38.40% | 45.20% | 59% |
| % 2 Passes in Science | 55% | 65.70% | 64.80% | 68% |
| Post-16 | 17/18 | 18/19 | 19/20 | 20/21 |

Academic

| | | | | |
|--------------------|-------|-------|-------|-------|
| APS/Academic entry | 25.09 | 24.92 | 36.75 | 35.53 |
| APS/Academic Grade | C- | D+ | B- | B- |

Applied General

| | | | | |
|-------------------|-------|-------|--------|--------|
| APS/App Gen entry | 23.4 | 25.94 | 27.87 | 28.78 |
| APS/App Gen Grade | Merit | Merit | Merit+ | Merit+ |

Key Performance Indicators

- Student outcomes are difficult to assess due to the teacher assessed nature of the grades. However, the “results” students have been given are based on the pre-covid three-year upward trend.
- Attendance measures are difficult to judge due to the pandemic.
- Student numbers continue to increase with the last two years being 200+, with 270 year 7 students predicted for 2021/22.
- Our last three OFSTED inspections have been “Good.”
- Our FNTI has been removed by the ESFA. (July 2021.)
- Student numbers Post-16 are predicted to increase significantly for Sept 2021
- Post-16 “outcomes” have increased over the last two years. (Teacher-assessed grades.)

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.

² These were Centre Assessed Grades – not external exam results

³ Teacher Assessed Grades. (TAGs.)

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

Going Concern (continued)

Promoting the success of the company

The success of the Academy is being well-received in the community, which can be seen through the increased "first and second choice" applications to the Academy. We have regular newsletters which communicate what we are doing, to the community. There is a commitment from the Trustees to improve our representation to the outside world. This year we have budgeted to look at PR and update our website, to increase our promotion of the Academy. The significant increase of student numbers in Years 7 & 8 has greatly improved our funding, and this comes from the increasing success of the Academy. Trustees are mindful that this has to be celebrated and maintained so that the Academy continues to grow from strength to strength.

FINANCIAL REVIEW

Westfield Academy's principal source of funding is the General Annual Grant (GAG). This year in addition to continuing to receive a grant towards increased staffing costs, the Academy received £40,510 towards the cost of carrying out COVID testing in School and £76,360 towards closing any gaps in pupil learning due to COVID. These grants have been deployed for the purposes for which they were given.

The grants received during the year ending 31st August 2021 and the associated expenditure are shown on page 34 of this report.

A high percentage of the funding continues to be spent on personnel costs to ensure the delivery of the Academy's aims and objectives. These costs include the Academy's top up contributions as an employer.

The Teachers' Pension Scheme (TPS) is treated as a defined contribution scheme for accounting purposes whilst the non-teaching staff are part of the Local Government Pension Scheme (LGPS). Employer contributions are determined by the Government actuary

Inflationary pay uplifts were awarded to all staff as directed by the UK Government. These are allowed for when budgeting.

The accounts show a net movement of funds of £(611,729). This includes depreciation of £616,047 and an actuarial loss on the defined benefit pension scheme of £463,000. Excluding the depreciation and actuarial loss leaves a surplus of £467,318.

Reserves Policy

The Trustees are aware of the need to balance current and future income and expenditure. The Academy Reserves Policy is to carry forward the maximum amount in case of any unexpected expenditure to meet the aims and objectives as long as this does not affect the immediate needs of the students.

At 31 August 2021 the total funds comprised:

| | | |
|--------------|-------------------|-------------------|
| Unrestricted | | 150,556 |
| Restricted: | Fixed asset funds | 27,694,088 |
| | Pension reserve | (2,795,000) |
| | Other | 1,008,482 |
| | | <u>26,058,126</u> |

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

Investment Policy

While there is provision in the articles of the Academy Trust for investments other than cash balance retention to be undertaken, no such investments have been undertaken in this Academic year.

Periodically, the school executive will review interest rates, compare them with other investment opportunities and, if it deems it appropriate, bring the details to the attention of the Trustees for a decision on investing funds.

Principal Risks and Uncertainties

The most significant risks faced by the school in the year ending 31st August 2021 and continuing into the year ending 31st August 2022 are summarised below.

Risk of a widening of the gap in student performance

Westfield Academy has a diverse and comprehensive intake. This means on average that 20% of our students may be low income. Our challenge is to narrow the achievement gap between all students and those from a disadvantaged background. In 2019 our progress 8 score for disadvantaged students increased to -0.08 which is the best the Academy has achieved to date. This was recognised by OFSTED in December 2019 but is an area we must continue to monitor. If the gap was to increase significantly it would put our "Good" rating at risk. This would impact on our reputation and potentially our income and performance.

Finance – Impact of Sustained Reduction in Government Funding for Services

Although increasing pupil numbers over time will increase our overall GAG funding, longer term we anticipate a more difficult funding experience, and we are cautious in our teacher recruitment and admin team recruitment with that in mind. Numbers of students Post-16 fluctuate and will impact funding moving forwards. We are also mindful that going forward we will need to retain tight control of key aspects of the core elements that support our students including grounds maintenance, IT, catering, utilities and photocopying. We also recognise that positive teaching staff retention does help and will continue to help keep down the costs associated with temporary and permanent teaching staff recruitment. Please also refer to Staff Wellbeing.

Finance – Failure to recruit sufficient students

We track student numbers in year seven carefully as this is a strong indication of the likely needs for future years and the associated funding. Going into the year ending 31st August 2022, we are anticipating a growing number of students coming to Westfield for the first time in Year 7.

Our sixth form brings back many of our Year 11 students to the school. However, these numbers fluctuate year on year, whilst we do recognise that the relatively small Year 11 for the year ending 31st August 2021 creates its own challenges in that regard. Our Football Academy counterbalances this to some extent with the arrival of students from other schools, now that we are able to timetable "A" level courses for sixth formers on the Football Academy sixth form path. However increased numbers and provision post-16 has to be a priority for the academy. Provisional Year 12 numbers for September 2021 show a significant potential increase of 100+.

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

Principal Risks and Uncertainties (continued)

Revenue from premises

In 2020/21 substantial income was lost due to the pandemic. A significant change that has taken place since the reopening of the economy in July 2021 has been that we have now regained the management of our sports facilities, as our contract with the managing company, Fusion, came to an end. A decision was made to manage these facilities ourselves to significantly increase our revenue from "lettings", which will be ploughed back into the Sports facilities and be ring-fenced to use for school improvement work.

The impact of this should filter through in the next academic year.

Reputational Risk

The continuing success of the Academy is dependent on attracting applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees work with the Executive and the staff to ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection

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

Staffing

The success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear thought given to their wellbeing. We have a strategic approach to the recruitment and retention of high-quality staff.

Staff Wellbeing

Westfield Academy is aware of the increasing pressure upon teaching and non-teaching staff in the modern educational environment and supportive of the moves in the UK public sector to raise the profile of staff wellbeing. During the year ending 31st August 2021, the school executive led discussions on possible approaches to wellbeing, dedicated funds were identified to support the initiative and various activities were carried out, with the emphasis on the staff leading the activities themselves.

The year ending 31st August 2022 has begun with a senior management representative receiving the wellbeing brief as a formal responsibility. During the year 2020/21 we surveyed the staff body on two occasions related to their safety, returning to school during the pandemic and post-lockdown. In each case, responses were very positive.

FUNDRAISING

Westfield Academy did not seek charitable contributions from parents for the academic year ending 31st August 2021 and has not done so up to the time of this report being published. Westfield Academy does revisit this approach each academic year and does so mindful of the pressures on the school's finances and mindful of the pressures faced by its students' parents and carers in these difficult times.

The Academy Trust does not use any external fundraisers in any context.

Students do raise money for other charities through a number of events promoted on our website and in our school newsletter. This is also good for each student's own personal development.

All fundraising undertaken during the year is monitored by the school executive and brought to the trustees' attention as needed. No issues were raised with the trustees for the year ending 31st August 2021.

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

PLANS FOR FUTURE PERIODS

During the year the board have had two sessions discussing the future of the Academy. As a single academy trust, we are aware that the current political appetite is for single academy trusts to move to multi academy trusts. We are currently looking at a development strategy moving forwards, beginning with investigating possible partnerships with local primary schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust is not acting as custodian trustee on behalf of any other organisation.

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.

The board intend to maintain the current auditors for the academic year 2021/22 after which time they will review and potentially go back out to tender.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 8th December 2021 and signed on the board's behalf by:

Ram Vancharc.
Trustee
Date:

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

SCOPE OF RESPONSIBILITY

As trustees we acknowledge we have overall responsibility for ensuring that Westfield Academy has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Headteacher as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Westfield Academy 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 oversight of the Trustees is by the Members. The Members are tasked with assessing if the board of trustees is performing well and ensuring that the charitable object is being fulfilled.

| Member | | Meetings Attended | Out of a Possible |
|--------------|-------------------|-------------------|-------------------|
| A Farrer | Chair of trustees | 2 | 2 |
| I Phillips | | 2 | 2 |
| J Rubinstein | | 1 | 1 |
| D Wadia | | 2 | 2 |

The **board of trustees** has formally met **8** times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Trustee | | Meetings attended | Out of a possible |
|-------------|-------------------|-------------------|-------------------|
| V Assani | | 8 | 8 |
| T Body | | 8 | 8 |
| A Chaudhry | | 1 | 2 |
| T Collins | | 6 | 8 |
| A Farrer | Chair of trustees | 7 | 8 |
| R Higginson | | 4 | 8 |
| B Mallett | | 6 | 8 |
| B Pandit | | 3 | 4 |
| R Preston | | 2 | 2 |
| R Saund | | 1 | 1 |
| K Sterling | | 2 | 8 |
| R Venchard | | 8 | 8 |
| S Ville | | 7 | 8 |
| J Willcocks | | 0 | 1 |

The Resources committee is a sub-committee of the main board of trustees. Its purpose is to monitor actual income and expenditure against budgets set at the start of the Academic year, review any over and under spends, to look at any costs or tenders that need Trustees' approval, to review recommendations made by internal auditors and information from external Auditors as well as to review matters relating to the management of the site.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

GOVERNANCE (continued)

During the pandemic trustees have increasingly met online via Microsoft Teams. All documentation is shared online via Governor Hub. There have been no barriers to trustees completing their duties. "Link" Trustees continued to come on-site whenever this has been possible.

By successfully responding to the pandemic the trustees have found ways to continue to work successfully and, in some cases, more effectively. Overall, the role of the committee is to ensure that the Academy Trustees are meeting their duty as outlined in the Academy's Trust Handbook.

Attendance at meetings in the year was as follows:

| Trustee | | Meetings attended | Out of a possible |
|-------------|--------------------|-------------------|-------------------|
| B Mallett | Chair of Resources | 4 | 5 |
| T Body | | 5 | 5 |
| A Farrer | Chair of Trustees | 5 | 5 |
| B Pandit | | 0 | 2 |
| K Sterling | | 0 | 5 |
| R Venchard | | 4 | 5 |
| S Ville | | 5 | 5 |
| J Willcocks | | 0 | 1 |

The Achievement and Attainment (A&A) committee is also a sub-committee of the main board of trustees, its purpose is to:

Analyse students' performance against targets to ensure school leaders are focussed on successful outcomes for the students Attendance at meetings in the year was as follows:

| Trustee | | Meetings attended | Out of a possible |
|------------|-------------------|-------------------|-------------------|
| T Collins | Chair of A&A | 6 | 6 |
| T Body | | 6 | 6 |
| A Farrer | Chair of Trustees | 5 | 6 |
| B Mallett | | 0 | 6 |
| K Sterling | | 0 | 6 |

REVIEW OF VALUE FOR MONEY

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

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

- Ensuring our priority is on successful outcomes for students through a robust, creative curriculum, best suited to meet the students' needs. This is underpinned by a transparent Performance and Appraisal process focussed heavily on student progress. Leaders are supported and challenged in this through careful data analysis and structured intervention. This has resulted in consistently good outcomes and year on year improvement.

The Headteacher always ensures that class sizes, teaching loads and ratios are benchmarked to ensure that we are meeting national expectations in terms of spending per pupil.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

REVIEW OF VALUE FOR MONEY (continued)

Recruitment of quality staff is a challenge for all schools. Alongside this recruitment, agency costs can be exorbitant. To reduce costs and increase quality, the Headteacher ensures we have a broad recruitment strategy including training up our own staff on the assessment only route with the University of Hertfordshire, creating opportunities for ex-students and supporting universities at training providers by having several student teachers on site, who if successful are recruited by the Academy.

All financial arrangements are now overseen by the Trustees' Resources Committee and the detailed minutes of these meetings continue to highlight the level of information provided by the school.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Westfield Academy for the period 01 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

THE RISK AND CONTROL FRAMEWORK (continued)

The board of trustees has considered the need to continue to retain an external entity to perform the function of internal auditor and wishes there to be a clear separation between internal audit and external audit. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Despite COVID restrictions for most of this year, the internal auditors were able to carry out a scrutiny of HR systems as planned.

The Board will continue to engage the services of Buzzacott LLP as internal auditor over the next year.

Trustees continue to meet 3 times a term. This has been designed to increase scrutiny of both the Academy spending, the underpinning processes, proposed long term or sizeable procurements as well as scrutiny of payments reviewed at monthly Resources Committee meetings. At every Resources Committee meeting the Chief Financial Officer reports on monitoring of budgets against actual income and expenditure to discharge the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

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

Approved by order of the members of the board of trustees on 8th December 2021 and signed on its behalf by:

Ram Vanchand
Trustee

Tim Body
Accounting Officer

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

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

Tim Boddy
Accounting officer

8th December 2021

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

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

Ramla Vanchard
Trustee
Date: 8 December 2021

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESTFIELD ACADEMY

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESTFIELD ACADEMY (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESTFIELD ACADEMY (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESTFIELD ACADEMY (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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson (Statutory Auditor)

Maidenhead, United Kingdom

Date: 23 December 2021

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 22 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Westfield Academy during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Westfield Academy's funding agreement with the Secretary of State for Education dated 11 March 2013 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
MHA MacIntyre Hudson (Statutory Auditor)
Maidenhead, United Kingdom

Date: 23 December 2021

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | - | - | 23,201 | 23,201 | 24,191 |
| Charitable activities | 4 | 52,260 | 7,050,859 | - | 7,103,119 | 6,385,336 |
| Other trading activities | 5 | 14,306 | - | - | 14,306 | 36,530 |
| Investments | 6 | 846 | - | - | 846 | 1,541 |
| Total income | | 67,412 | 7,050,859 | 23,201 | 7,141,472 | 6,447,598 |
| Expenditure on: | | | | | | |
| Charitable activities | | 110,901 | 6,563,253 | 616,047 | 7,290,201 | 7,118,912 |
| Total expenditure | 7 | 110,901 | 6,563,253 | 616,047 | 7,290,201 | 7,118,912 |
| Net income/ (expenditure) | | (43,489) | 487,606 | (592,846) | (148,729) | (671,314) |
| Transfers between funds | 18 | - | (215,459) | 215,459 | - | - |
| Other recognised gains/(losses): | | | | | | |
| Actuarial (losses)/gains on defined benefit pension schemes | 24 | - | (463,000) | - | (463,000) | 194,000 |
| Net movement in funds | | (43,489) | (190,853) | (377,387) | (611,729) | (477,314) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 194,045 | (1,595,665) | 28,071,475 | 26,669,855 | 27,147,169 |
| Net movement in funds | | (43,489) | (190,853) | (377,387) | (611,729) | (477,314) |
| Total funds carried forward | | 150,556 | (1,786,518) | 27,694,088 | 26,058,126 | 26,669,855 |

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

The notes on pages 27 to 56 form part of these financial statements.

WESTFIELD ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08526440

BALANCE SHEET
AS AT 31 AUGUST 2021

| | Note | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|--|------|------------------|--------------------------|------------------|--------------------------|
| Fixed assets | | | | | |
| Tangible assets | 14 | | 27,603,330 | | 28,003,918 |
| | | | <u>27,603,330</u> | | <u>28,003,918</u> |
| Current assets | | | | | |
| Debtors | 15 | 362,915 | | 197,382 | |
| Investments | 16 | - | | 600,000 | |
| Cash at bank and in hand | | 1,799,098 | | 794,951 | |
| | | <u>2,162,013</u> | | <u>1,592,333</u> | |
| Creditors: amounts falling due within one year | 17 | (912,217) | | (758,396) | |
| Net current assets | | | <u>1,249,796</u> | | <u>833,937</u> |
| Total assets less current liabilities | | | <u>28,853,126</u> | | <u>28,837,855</u> |
| Defined benefit pension scheme liability | 24 | | (2,795,000) | | (2,168,000) |
| Total net assets | | | <u><u>26,058,126</u></u> | | <u><u>26,669,855</u></u> |
| Funds of the Academy Trust | | | | | |
| Restricted funds: | | | | | |
| Fixed asset funds | 18 | 27,694,088 | | 28,071,475 | |
| Restricted income funds | 18 | 1,008,482 | | 572,335 | |
| Pension reserve | 18 | (2,795,000) | | (2,168,000) | |
| Total restricted funds | 18 | | <u>25,907,570</u> | | <u>26,475,810</u> |
| Unrestricted income funds | 18 | | <u>150,556</u> | | <u>194,045</u> |
| Total funds | | | <u><u>26,058,126</u></u> | | <u><u>26,669,855</u></u> |

The financial statements on pages 24 to 56 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

Rama Venchard
Trustee

The notes on pages 27 to 56 form part of these financial statements.

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|---|-------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 20 | 595,559 | 181,480 |
| Cash flows from investing activities | 21 | 408,588 | (579,882) |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | | 1,004,147 | (398,402) |
| Cash and cash equivalents at the beginning of the year | | 794,951 | 1,193,353 |
| Cash and cash equivalents at the end of the year | 22, 23 | 1,799,098 | 794,951 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 27 to 56 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Westfield Academy is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operations and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1.

1.2 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

Expenditure on charitable activities 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.

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

1. Accounting policies (continued)

1.5 Going concern

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

1.6 Operating leases

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

1.7 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.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Cash at bank and in hand

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

1.10 Tangible fixed assets

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

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

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

1. Accounting policies (continued)

1.10 Tangible fixed assets (continued)

Depreciation is provided on all tangible fixed assets other than long leasehold 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:

| | | |
|------------------------------|---|-------------------|
| Long-term leasehold property | - | 2% straight line |
| Furniture and equipment | - | 25% straight line |
| Computer equipment | - | 33% straight line |
| Motor vehicles | - | 25% straight line |
| Astroturf | - | 10% straight line |

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

1.11 Interest receivable

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

1.12 Liabilities and provisions

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 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.

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

1. Accounting policies (continued)

1.13 PFI arrangement

The buildings used by Westfield Academy were built in 2017 under a Private Finance Initiative (PFI) contract. The Academy Trust entered into an arrangement which stipulates that the Academy Trust will pay a monthly contribution towards maintenance. The PFI arrangement is due to end in November 2041.

PFI payments

The payments made in respect of the PFI arrangement charge is therefore expensed in the Statement of Financial Activities in the period to which they relate.

The Trustees take the view that the substance of the arrangement is such that the principal rights and obligations under the contract remain with the Education and Skills Funding Agency, thus the future payments are disclosed as commitments and not recognised as a liability.

Land and buildings

As the Academy Trust takes on the risks and rewards associated with the land and buildings, including the long term maintenance of the property once the PFI contract has ended, the land and buildings are capitalised within fixed assets on the Academy Trust's balance sheet at valuations on completion. The long term leasehold property is depreciated as disclosed in note 1.10.

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. 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 notes 17. 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.

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

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

1.16 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the academy does not have control over the charitable application of the funds. The Academy Trust can use up to 2% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 28.

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

3. Income from donations and capital grants

| | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|-------------------------|--|---------------------------------------|
| DfE/ESFA capital grants | 23,201 | 23,201 |
| | | |
| | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
| DfE/ESFA capital grants | 24,191 | 24,191 |

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

4. Funding for the Academy Trust's educational operations

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | - | 6,002,283 | 6,002,283 |
| Other DfE/ESFA grants | | | |
| Pupil premium | - | 229,712 | 229,712 |
| Teachers' pension | - | 223,659 | 223,659 |
| Teachers' pay | - | 79,149 | 79,149 |
| Others | - | 95,588 | 95,588 |
| | - | 6,630,391 | 6,630,391 |
| Other Government grants | | | |
| Other local authority grants | - | 242,392 | 242,392 |
| | - | 242,392 | 242,392 |
| Other income from the Academy Trust's educational operations | 52,260 | 61,206 | 113,466 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Catch-up premium | - | 76,360 | 76,360 |
| | - | 76,360 | 76,360 |
| COVID-19 additional funding (non-DfE/ESFA) | | | |
| Other COVID-19 funding | - | 40,510 | 40,510 |
| | - | 40,510 | 40,510 |
| | 52,260 | 7,050,859 | 7,103,119 |

The academy received £76,360 of funding for catch-up premium and costs incurred in respect of this funding totalled £55,956, with the remaining £20,404 to be spent in 2021/22.

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

4. Funding for the Academy Trust's educational operations (continued)

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | - | 5,368,244 | 5,368,244 |
| Other DfE/ESFA grants | | | |
| Pupil premium | - | 211,971 | 211,971 |
| Teachers' pension | - | 209,653 | 209,653 |
| Teachers' pay | - | 74,555 | 74,555 |
| Others | - | 100,495 | 100,495 |
| | - | 5,964,918 | 5,964,918 |
| Other Government grants | | | |
| Other local authority grants | - | 143,849 | 143,849 |
| | - | 143,849 | 143,849 |
| Other income from the Academy Trust's educational operations | 138,240 | 131,499 | 269,739 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Other DfE/ESFA COVID-19 funding | - | 6,830 | 6,830 |
| | - | 6,830 | 6,830 |
| | 138,240 | 6,247,096 | 6,385,336 |

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

5. Income from other trading activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--------------------|--|---------------------------------------|
| Hire of facilities | 14,306 | 14,306 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|--------------------|--|---------------------------------------|
| Hire of facilities | 36,530 | 36,530 |

6. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--------------------------|--|---------------------------------------|
| Bank interest receivable | 846 | 846 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|--------------------------|--|---------------------------------------|
| Bank interest receivable | 1,541 | 1,541 |

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

7. Expenditure

| | Staff Costs 2021 £ | Premises 2021 £ | Other 2021 £ | Total 2021 £ |
|-----------------------------------|--|-------------------------------------|----------------------------------|----------------------------------|
| Academy's educational operations: | | | | |
| Direct costs | 4,525,485 | - | 629,693 | 5,155,178 |
| Allocated support costs | 598,083 | 968,612 | 568,328 | 2,135,023 |
| Total 2021 | 5,123,568 | 968,612 | 1,198,021 | 7,290,201 |

Comparatives for the previous year:

| | Staff Costs 2020 £ | Premises 2020 £ | Other 2020 £ | Total 2020 £ |
|-----------------------------------|--|-------------------------------------|----------------------------------|----------------------------------|
| Academy's educational operations: | | | | |
| Direct costs | 4,122,867 | - | 652,524 | 4,775,391 |
| Allocated support costs | 711,984 | 932,067 | 699,470 | 2,343,521 |
| Total 2020 | 4,834,851 | 932,067 | 1,351,994 | 7,118,912 |

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

8. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|----------------------------------|---|-------------------------------|-----------------------------|
| Academy's educational operations | 5,155,178 | 2,135,023 | 7,290,201 |

| | Activities undertaken directly 2020 £ | Support costs 2020 £ | Total funds 2020 £ |
|----------------------------------|---|-------------------------------|-----------------------------|
| Academy's educational operations | 4,775,391 | 2,343,521 | 7,118,912 |

Analysis of direct costs

| | Total funds 2021 £ | Total funds 2020 £ |
|--|-----------------------------|-----------------------------|
| Teaching and educational support staff costs | 4,525,485 | 4,122,867 |
| Technology costs | 34,969 | 68,278 |
| Educational supplies | 342,969 | 264,266 |
| Examination fees | 86,363 | 107,462 |
| Educational consultancy | 17,760 | 18,110 |
| Staff expenses and other costs | 66,501 | 74,177 |
| Other direct costs | 81,131 | 120,231 |
| | 5,155,178 | 4,775,391 |

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2021 £ | Total funds 2020 £ |
|----------------------|---------------------------------------|---------------------------------------|
| Pension finance cost | 38,000 | 40,000 |
| Support staff costs | 598,083 | 711,984 |
| Depreciation | 616,047 | 644,948 |
| Technology costs | 105,337 | 91,285 |
| Premises costs | 471,746 | 435,087 |
| PFI service costs | 39,429 | 24,281 |
| Legal costs | 2,061 | 2,761 |
| Governance costs | 24,849 | 27,208 |
| Other support costs | 239,471 | 365,967 |
| | <u>2,135,023</u> | <u>2,343,521</u> |

9. Analysis of specific expenses

Included within expenditure are the following transactions:

| | Total £ | Individual items above £5,000 Amount £ | Reason |
|-------------------------|--------------------|---|---------------|
| Gifts made by the trust | 682 | - | |
| Unrecoverable debts | 805 | - | |

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

10. Net (expenditure)/income

Net (expenditure)/income for the year includes:

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Operating lease rentals | 60,776 | 56,197 |
| Depreciation of tangible fixed assets - owned by charity | 616,047 | 644,948 |
| PFI costs | 39,429 | 24,281 |
| Fees paid to auditors for: | | |
| - audit | 11,000 | 11,000 |
| - other services | 6,850 | 8,520 |
| | <u>11,000</u> | <u>11,000</u> |
| | <u>6,850</u> | <u>8,520</u> |

11. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2021 £ | 2020 £ |
|---------------------------|------------------|------------------|
| Wages and salaries | 3,418,007 | 3,230,424 |
| Social security costs | 355,854 | 330,852 |
| Pension costs | 864,206 | 847,563 |
| | <u>4,638,067</u> | <u>4,408,839</u> |
| Agency staff costs | 469,501 | 411,777 |
| Staff restructuring costs | 16,000 | 14,235 |
| | <u>5,123,568</u> | <u>4,834,851</u> |

Staff restructuring costs comprise:

| | | |
|--------------------|--------|--------|
| Severance payments | 16,000 | 14,235 |
|--------------------|--------|--------|

b. Non-statutory/non-contractual staff severance payments

There was one non-statutory/ non-contractual severance payments included in staff restructuring costs totalling £16,000 (2020: £Nil).

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

11. Staff (continued)

c. Staff numbers

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

| | 2021 No. | 2020 No. |
|----------------------------|---------------------|-------------|
| Teaching | 63 | 57 |
| Administration and support | 35 | 40 |
| Management | 1 | 1 |
| | 99 | 98 |

d. Higher paid staff

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

| | 2021 No. | 2020 No. |
|--------------------------------|---------------------|-------------|
| In the band £60,001 - £70,000 | 3 | 3 |
| In the band £70,001 - £80,000 | 1 | 1 |
| In the band £90,001 - £100,000 | 1 | 1 |

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £916,435 (2020 - £869,756).

12. Related party transactions - trustees' remuneration and expenses

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

| | | 2021 £ | 2020 £ |
|-------------------|----------------------------|-------------------------|-----------------|
| T Body, Principal | Remuneration | 95,000 - 100,000 | 90,000 - 95,000 |
| | Pension contributions paid | 20,000 - 25,000 | 10,000 - 15,000 |

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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

13. 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.

14. Tangible fixed assets

| | Long-term leasehold property £ | Furniture and equipment £ | Computer equipment £ | Motor vehicles £ | Astroturf £ | Total £ |
|--------------------------|---|------------------------------------|----------------------------|------------------------|----------------|------------|
| Cost or valuation | | | | | | |
| At 1 September 2020 | 29,357,000 | 390,488 | 485,548 | 7,000 | 257,301 | 30,497,337 |
| Additions | - | 14,372 | 194,087 | 7,000 | - | 215,459 |
| At 31 August 2021 | 29,357,000 | 404,860 | 679,635 | 14,000 | 257,301 | 30,712,796 |
| Depreciation | | | | | | |
| At 1 September 2020 | 1,508,530 | 383,746 | 469,431 | 3,062 | 128,650 | 2,493,419 |
| Charge for the year | 502,840 | 7,529 | 76,448 | 3,500 | 25,730 | 616,047 |
| At 31 August 2021 | 2,011,370 | 391,275 | 545,879 | 6,562 | 154,380 | 3,109,466 |
| Net book value | | | | | | |
| At 31 August 2021 | 27,345,630 | 13,585 | 133,756 | 7,438 | 102,921 | 27,603,330 |
| At 31 August 2020 | 27,848,470 | 6,742 | 16,117 | 3,938 | 128,651 | 28,003,918 |

Included in long leasehold property is land at valuation of £4,215,000 (2020: £4,215,000) which is not depreciated.

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

15. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Due within one year | | |
| Trade debtors | 80,129 | 1,783 |
| Other debtors | 4,502 | 1,794 |
| Prepayments and accrued income | 185,752 | 135,503 |
| VAT recoverable | 92,532 | 58,302 |
| | <u>362,915</u> | <u>197,382</u> |

16. Current asset investments

| | 2021 £ | 2020 £ |
|---------------------|-----------|----------------|
| Short term deposits | - | 600,000 |
| | <u>-</u> | <u>600,000</u> |

17. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Trade creditors | 220,507 | 223,467 |
| Other taxation and social security | 87,314 | 76,277 |
| Other creditors | 78,727 | 23,248 |
| Accruals and deferred income | 525,669 | 435,404 |
| | <u>912,217</u> | <u>758,396</u> |
| | 2021 £ | 2020 £ |
| Deferred income at 1 September 2020 | 161,470 | 163,563 |
| Resources deferred during the year | 213,067 | 161,470 |
| Amounts released from previous periods | (161,470) | (163,563) |
| Deferred income at 31 August 2021 | <u>213,067</u> | <u>161,470</u> |

At the Balance Sheet date, the Academy Trust was holding funds received in advance for additional places funding from the local authority relating to the next academic year.

WESTFIELD ACADEMY
(A Company Limited by Guarantee)

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

18. Statement of funds

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|---------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Astrosurf sinking fund | 125,000 | - | - | 25,000 | - | 150,000 |
| General funds | | | | | | |
| General unrestricted funds | 69,045 | 67,412 | (110,901) | (25,000) | - | 556 |
| Total Unrestricted funds | 194,045 | 67,412 | (110,901) | - | - | 150,556 |
| Restricted general funds | | | | | | |
| General Annual Grant | 540,136 | 6,002,283 | (5,351,210) | (215,459) | - | 975,750 |
| Pupil premium | 20,199 | 229,712 | (237,583) | - | - | 12,328 |
| Other DfE/ESFA grants | - | 398,396 | (398,396) | - | - | - |
| Other local authority grants | - | 242,392 | (242,392) | - | - | - |
| Other restricted income | 12,000 | 54,376 | (66,376) | - | - | - |
| Catch-up premium | - | 76,360 | (55,956) | - | - | 20,404 |
| Other DfE/ESFA COVID-19 | - | 6,830 | (6,830) | - | - | - |
| Other COVID-19 funding | - | 40,510 | (40,510) | - | - | - |
| Pension reserve | (2,168,000) | - | (164,000) | - | (463,000) | (2,795,000) |
| | (1,595,665) | 7,050,859 | (6,563,253) | (215,459) | (463,000) | (1,786,518) |

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

18. Statement of funds (continued)

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|---|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| Restricted fixed asset funds | | | | | | |
| Restricted fixed asset fund | 28,003,918 | - | (616,047) | 215,459 | - | 27,603,330 |
| DfE/ESFA capital grants | 67,557 | 23,201 | - | - | - | 90,758 |
| | <u>28,071,475</u> | <u>23,201</u> | <u>(616,047)</u> | <u>215,459</u> | <u>-</u> | <u>27,694,088</u> |
| Total Restricted funds | <u>26,475,810</u> | <u>7,074,060</u> | <u>(7,179,300)</u> | <u>-</u> | <u>(463,000)</u> | <u>25,907,570</u> |
| Total funds | <u><u>26,669,855</u></u> | <u><u>7,141,472</u></u> | <u><u>(7,290,201)</u></u> | <u><u>-</u></u> | <u><u>(463,000)</u></u> | <u><u>26,058,126</u></u> |

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

18. Statement of funds (continued)

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

Unrestricted funds can be spent on meeting objectives at the discretion of Trustees.

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided to the Academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

The other DfE/ESFA restricted fund represents other funding received from the government which does not form part of GAG but is received in relation to specific purposes. Other restricted funds include the local authority grant fund, trips and activities and other income, which must be used for the purposes detailed.

Pension reserve deficit represents the future pension funding requirements which will be met from future employer pension contributions.

Restricted fixed assets are funds representing the amounts invested in fixed assets. The other restricted fixed asset funds of devolved formula capital, capital maintenance and donations recognise the tangible fixed assets brought from either capital grants or donations. The funds are reduced each year by the depreciation charge of these assets.

Transfers between restricted and restricted fixed asset funds represents capital additions funded by restricted reserves.

The designated fund relates to the Astroturf pitch partly funded by the Football Foundation. It is a requirement of the funding that £25,000 per annum is set aside as a sinking fund for 10 years to resurface the pitch after 10 years of operation.

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

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

18. Statement of funds (continued)

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

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|-------------------------------------|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Astrosurf sinking fund | 100,000 | - | - | 25,000 | - | 125,000 |
| General funds | | | | | | |
| General unrestricted funds | 120,508 | 176,311 | (202,774) | (25,000) | - | 69,045 |
| Total Unrestricted funds | 220,508 | 176,311 | (202,774) | - | - | 194,045 |
| Restricted general funds | | | | | | |
| General Annual Grant | 371,124 | 5,368,244 | (5,217,190) | 17,958 | - | 540,136 |
| Pupil premium | 22,347 | 211,971 | (214,119) | - | - | 20,199 |
| Other DfE/ESFA grants | - | 384,703 | (384,703) | - | - | - |
| Other local authority grants | - | 143,849 | (143,849) | - | - | - |
| Other restricted income | - | 131,499 | (119,499) | - | - | 12,000 |
| Other DfE/ESFA COVID-19 | - | 6,830 | (6,830) | - | - | - |
| Pension reserve | (2,177,000) | - | (185,000) | - | 194,000 | (2,168,000) |
| | (1,783,529) | 6,247,096 | (6,271,190) | 17,958 | 194,000 | (1,595,665) |
| Restricted fixed asset funds | | | | | | |
| Restricted fixed asset fund | 28,643,252 | - | (644,948) | 5,614 | - | 28,003,918 |
| DfE/ESFA capital grants | 66,938 | 24,191 | - | (23,572) | - | 67,557 |
| | 28,710,190 | 24,191 | (644,948) | (17,958) | - | 28,071,475 |
| Total Restricted funds | 26,926,661 | 6,271,287 | (6,916,138) | - | 194,000 | 26,475,810 |
| Total funds | 27,147,169 | 6,447,598 | (7,118,912) | - | 194,000 | 26,669,855 |

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|-------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 27,603,330 | 27,603,330 |
| Current assets | 150,556 | 1,920,699 | 90,758 | 2,162,013 |
| Creditors due within one year | - | (912,217) | - | (912,217) |
| Pension scheme liability | - | (2,795,000) | - | (2,795,000) |
| Total | 150,556 | (1,786,518) | 27,694,088 | 26,058,126 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|-------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 28,003,918 | 28,003,918 |
| Current assets | 194,045 | 1,330,731 | 67,557 | 1,592,333 |
| Creditors due within one year | - | (758,396) | - | (758,396) |
| Pension scheme liability | - | (2,168,000) | - | (2,168,000) |
| Total | 194,045 | (1,595,665) | 28,071,475 | 26,669,855 |

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

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

| | 2021 £ | 2020 £ |
|---|------------------|-----------|
| Net expenditure for the year (as per Statement of Financial Activities) | (148,729) | (671,314) |
| Adjustments for: | | |
| Depreciation | 616,047 | 644,948 |
| Capital grants from DfE and other capital income | (23,201) | (24,191) |
| Interest receivable | (846) | (1,541) |
| (Increase)/decrease in debtors | (165,533) | 54,381 |
| Increase/(decrease) in creditors | 153,821 | (5,803) |
| Pension adjustments | 164,000 | 185,000 |
| Net cash provided by operating activities | 595,559 | 181,480 |

21. Cash flows from investing activities

| | 2021 £ | 2020 £ |
|--|------------------|-----------|
| Dividends, interest and rents from investments | 846 | 1,541 |
| Purchase of tangible fixed assets | (215,459) | (5,614) |
| Purchase of investments | - | (600,000) |
| Proceeds from the sale of investments | 600,000 | - |
| Capital grants from DfE Group | 23,201 | 24,191 |
| Net cash provided by/(used in) investing activities | 408,588 | (579,882) |

22. Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------------------|------------------|-----------|
| Cash in hand and at bank | 1,799,098 | 794,951 |

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

23. Analysis of changes in net debt

| | At 1 September 2020 £ | Cash flows £ | At 31 August 2021 £ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 794,951 | 1,004,147 | 1,799,098 |
| Liquid investments | 600,000 | (600,000) | - |
| | <u>1,394,951</u> | <u>404,147</u> | <u>1,799,098</u> |

24. Pension commitments

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

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

Contributions amounting to £ -Nil were payable to the schemes at 31 August 2021 (2020 - £336) and are included within creditors.

Teachers' Pension Scheme

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

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

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

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £577,148 (2020 - £520,828).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £239,000 (2020 - £251,000), of which employer's contributions totalled £191,000 (2020 - £205,000) and employees' contributions totalled £ 48,000 (2020 - £46,000). The agreed contribution rates for future years are 25.3 per cent for employers and between 5.5 and 12.5 per cent for employees.

As described in note 1.15 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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

24. Pension commitments (continued)

Principal actuarial assumptions

| | 2021 | 2020 |
|--|-------------|-------------|
| | % | % |
| Rate of increase in salaries | 3.30 | 2.70 |
| Rate of increase for pensions in payment/inflation | 2.90 | 2.30 |
| Discount rate for scheme liabilities | 1.65 | 1.70 |

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

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

Sensitivity analysis - present value of total obligation

| | 2021 | 2020 |
|----------------------------|-------------|-------------|
| | £000 | £000 |
| Discount rate -0.5% | 670 | 556 |
| Salary increase rate +0.5% | 40 | 37 |
| CPI rate +0.5% | 620 | 510 |

Share of scheme assets

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

| | 2021 | 2020 |
|-------------------------------------|------------------|-------------|
| | £ | £ |
| Equities | 1,832,210 | 1,536,470 |
| Bonds | 1,002,530 | 1,014,650 |
| Property | 380,270 | 260,910 |
| Cash and other liquid assets | 241,990 | 86,970 |
| Total market value of assets | 3,457,000 | 2,899,000 |

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

24. Pension commitments (continued)

The actual return on scheme assets was £392,000 (2020 - £61,000).

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

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Current service cost | (317,000) | (347,000) |
| Past service cost | - | (3,000) |
| Interest cost | (38,000) | (40,000) |
| Total amount recognised in the Statement of Financial Activities | (355,000) | (390,000) |

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

| | 2021 £ | 2020 £ |
|---|------------------|-----------|
| Opening defined benefit obligation | 5,067,000 | 4,832,000 |
| Current service cost | 317,000 | 347,000 |
| Interest cost | 89,000 | 90,000 |
| Employee contributions | 48,000 | 46,000 |
| Actuarial losses/(gains) | 804,000 | (183,000) |
| Benefits paid | (73,000) | (68,000) |
| Past service costs | - | 3,000 |
| Closing defined benefit obligation | 6,252,000 | 5,067,000 |

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

| | 2021 £ | 2020 £ |
|--|------------------|-----------|
| Opening fair value of scheme assets | 2,899,000 | 2,655,000 |
| Interest income | 51,000 | 50,000 |
| Actuarial gains | 341,000 | 11,000 |
| Employee contributions | 48,000 | 46,000 |
| Benefits paid | (73,000) | (68,000) |
| Employer contributions | 191,000 | 205,000 |
| Closing fair value of scheme assets | 3,457,000 | 2,899,000 |

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

24. Pension commitments (continued)

| | 2021 £ | 2020 £ |
|--|--------------------|-------------|
| The amount shown in the Statement of Financial Activities is: | | |
| Changes in financial assumptions | (804,000) | 183,000 |
| Return on assets excluding amounts included in net interest | 341,000 | 11,000 |
| Actuarial gains/(losses) on defined benefit pension schemes | (463,000) | 194,000 |
| | 2021 £ | 2020 £ |
| The amount shown in the Balance Sheet is: | | |
| Present value of defined benefit obligation | (6,252,000) | (5,067,000) |
| Fair value of scheme assets | 3,457,000 | 2,899,000 |
| Defined benefit pension scheme liability | (2,795,000) | (2,168,000) |

25. Operating lease commitments

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

| | 2021 £ | 2020 £ |
|--|------------------|-----------|
| Not later than 1 year | 1,085 | 9,242 |
| Later than 1 year and not later than 5 years | - | 1,085 |
| | 1,085 | 10,327 |

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

25. Operating lease commitments (continued)

| | 2021 £ | 2020 £ |
|-------------------------|-------------------------|------------------|
| PFI arrangement | | |
| Within 1 year | 135,774 | 135,774 |
| Between 1 and 5 years | 542,976 | 542,976 |
| After more than 5 years | 2,171,844 | 2,307,618 |
| | <u>2,850,594</u> | <u>2,986,368</u> |

As noted in accounting policy 1.13, the new school build was constructed under a Private Finance Initiative (PFI) agreement.

The PFI arrangement commitments as disclosed above relate to the amounts payable to Education and Skills Funding Agency as the school's contribution to the PFI contract payments.

The commitment under the agreement is based on estimated RPI figure for the monthly contributions. The payment will increase by RPI for the remainder of the PFI contract which expires in November 2041.

The Trustees take the view that the substance of the arrangement is such that the principal rights and obligations under the contract remain with the Education and Skills Funding Agency, thus the future payments are disclosed as commitments and not recognised as a liability.

26. 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.

27. Related party transactions

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

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

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

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds as an agent for the ESFA. For the year ended 31 August 2021 the Academy Trust received £24,936 (2020: £33,248) and distributed £23,161 (2020: £34,742). An amount of £ 23,827 included in other creditors at 31 August 2021 (2020: £22,052).