

WESTFIELD ACADEMY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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 2023

Members

I. Phillips	Member appointment	From 16.05.2019
D. Wadia	Member appointment	From 16.05.2019
J. Rubinstein	Member appointment	From 22.02.2021
E. Devani	Member appointment	From 01.09.2021
R. Venchard	Member appointment	From 01.09.2022

Trustees

T. Body	Ex officio	From 13.05.2013
V. Assani	Trustee co-opted	From 16.07.2020
S. Ville	Trustee co-opted	From 16.07.2020
A. Chaudhry	Member appointed	From 05.05.2021
R. Preston	Member appointed	From 05.05.2021
A. Harwin	Elected by Parents	From 06.01.2022
G. Williams	Elected by Parents	From 06.01.2022
M. Loosemore	Trustee co-opted	From 11.10.2022
B. Mallett	Member appointed	From 19.11.2022
E. Chrysopoulou	Elected by Parents	From 22.05.2023

Company Secretary [if applicable]

n/a

Senior Management Team

Headteacher	Tim Body
Deputy Headteacher	Peter Creber
Deputy Headteacher	Ishrat Riaz
Deputy Headteacher	Alison Hartley
School Business Manager	Shibani Patel
Assistant Headteacher	Jacqui O'Connor
Assistant Headteacher	Katy-Louise Neal
Assistant Headteacher	Emma Keys
Assistant Headteacher	Teresa Porter
Assistant Headteacher	Paul Smith
Assistant Headteacher	Christopher Chalk

Company Name

Westfield Academy

Principal and Registered Office

Tolpits Lane, Watford, Hertfordshire, WD18 6NS

Company Registered Number

08526440 (England & Wales)

Independent Auditor

MHA, Building 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 2023

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 2023. 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 has a physical capacity of 1,600 students. On 31st October 2023, there were 1352 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 2023, the Academy tapped into the local community in its search for new Trustees; in particular from the parent community. Over the coming year, the intention is to assess the needs of the Trust Board and recruit accordingly.

Policies and Procedures adopted for the Induction and Training of Trustees

Newly appointed Trustees 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 2023

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.
Trust Board/ Board of Directors / Trustees / Trustees	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, 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 curricular provision and confirm the teaching and support staff resources required;• Consider staff development and well-being.
Pay Committee sub-committee	Has delegated responsibility for Pay. This entails: <ul style="list-style-type: none">• Review and approve teacher and support staff pay and appraisal policies and ensure there is alignment with strategic objectives.• Consider and review the Head teacher's recommendations for the pay of all staff ensuring that performance management policies and pay policies have been consistently and robustly applied.• Ensure that no unlawful bias or discrimination can be found in the decision-making process, and that all performance related pay decisions are based on evidence and are underpinned by the pay and appraisal policies.
Head Teacher's appraisal panel	Has delegated responsibility for: <ul style="list-style-type: none">• Review Head teacher's performance compared to objectives and targets for the current calendar year and set new objectives and targets for the next calendar year.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

Organisational Development

The Board continued to adopt a blended approach to meetings giving Trustees the option to attend meetings in-person or virtually to offer flexibility of attendance.

The following structure has been retained and built upon throughout the year ending 31st of August 2023:

- 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.
- The 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.
- 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.
- Pay Committee: meets to offer support to the school executive and to enable Board representatives the time and forum to support this important aspect of academy business.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel comprise the members, trustees and senior management outlined on page 1 of this report.

Pay and remuneration of senior management is set in accordance with the Academy's Pay and Appraisal policies with staff being subject to an annual performance review to determine any pay increments. All increments are ratified by the Trust Board.

Neither members nor trustees receive any payments or benefits in kind for their duties as members or trustees.

Trade union facility time

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

Relevant union officials

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£3,919
Provide the total pay bill	£3,919
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	

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 100 120	47
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Related Parties and other Connected Charities and Organisations

Westfield Academy exists as a single entity and is not part of a wider federation of academies and has no other relationships with related parties or connected charities and organisations.

OBJECTIVES AND ACTIVITIES

Aims and Objectives

The Academy aims to:

- Deliver the best quality curriculum and teaching and learning to our students leading to outstanding outcomes for all
- Do this whilst demonstrating effective resource management and ensuring the continuous well-being of our staff and learners
- 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 and
- 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 2023

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 West Watford and surrounding areas. This is demonstrated by the excellent outcomes for students, popularity in terms of strong student numbers, a thriving Sixth form and consistently Good external inspections. (OFSTED 2012, 2016, 2019.)

STRATEGIC REPORT

Achievements and Performance

We had our last OFSTED inspection in December 2019. This was an extremely positive experience for the academy. We were pleased once again to be judged "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

2022/23 was a challenging year in education. Staff recruitment, student attendance and staff attendance, post-pandemic were extremely challenging and had a significant impact on the day-to-day management of the academy. For these reasons we were extremely proud of our student outcomes at the end of the year;

- Despite national concerns we were pleased that despite student attendance being a significant concern, student attendance at Westfield was above the national average.
- Outcomes at KS4 were the highest in the academy history;
 - Progress 8 for all students was +0.35 - above average and the highest for any non-selective school in South West Hertfordshire.
 - The English and Maths GCSE pass crossover was the highest in the academy history at 63%.
 - Our progress 8 measure for "disadvantaged students" was above the national average at 0.0. This was a first for the academy.
- Outcomes at KS5 showed good progress from 2019, the last "normal" year.

KS4 Outcomes

Year 11	2018	2019	2020 ²	2021 ³	2022	2023
%English & Maths Pass	56%	57%	63.7%	65%	57%	63%
%English & Maths Good Pass	31%	36%	42.8%	41.4%	32%	32%
Progress 8	0.15	0.31	N/A	N/A	+0.3	+0.35
Progress 8 – disadvantaged students	-0.37	-0.08	N/A	N/A	-0.18	0.0
Ave Att 8	4.3	4.7	4.9	4.9	4.5	4.4
% English Pass	62%	81.4 %	80 %	81%	72%	76.3%
% English Good Pass	45%	65.1 %	61 %	57%	54.5%	56.8%
% Maths Pass	58%	60.5 %	64.80%	68%	63%	63%
% Maths Good Pass	35%	38.40%	45.20%	59%	34.7%	35.5%
% 2 Passes in Science	55%	65.70%	64.80%	68%	60.5%	56%

¹ OFSTED. Dec 2019

² These were Centre Assessed Grades – not external exam results

³ Teacher Assessed Grades. (TAGs.)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

KS4 Outcomes
Post-16 Outcomes

KS5 - Academic	2018	2019	2020	2021	2022	2023
APS/Academic entry	25.09	24.92	36.75	35.53	34.12	30.85
APS/Academic Grade	C-	D+	B-	B-	C+	C
KS5 - Applied General	2018	2019	2020	2021	2022	2023
APS/App Gen entry	23.4	25.94	27.87	28.78	31.22	24.55
APS/App Gen Grade	Merit	Merit	Merit+	Merit+	Distinction	Merit

Key Performance Indicators

- Student outcomes at KS4 were the highest in the history of the academy with “above average” progress for all students and for disadvantaged students.
- The % of students achieving a grade 4 in both Maths and English was the highest in the Academy’s history.
- Student outcomes at KS5 showed an increase from 2019, the most appropriate comparison data.
- Student numbers are the highest in the Academy’s history
- Attendance figures were negatively affected by the covid, but did meet the national average.

Going Concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that the Academy 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.

Promoting the success of the company

The Academy continues to go from strength to strength. This is evidenced by the increase in pupil numbers and continued strong exam results. Regular newsletters continue to go out into the community keeping the community informed of our progress.

FINANCIAL REVIEW

The first 6 months of 2022-2023 were financially unsettling due to the unexpected teacher pay awards announced and global energy price increases. However, once additional government funding was announced to support these unbudgeted increases, and with the Academy seeking funding opportunities wherever possible, actual income and expenditure was realigned with projections. The main source of funding remains the General Annual Grant (GAG). All additional Government Funding received in the year to 31st August 2023 was deployed for the purposes for which it was allocated.

Staffing remains the Academy’s largest expenditure at between 70% - 80% of funding and is carefully managed and monitored to deliver the Academy’s aims and objectives. These costs include Government agreed National Pay Awards and the Academy’s pension scheme top up contributions into the Teachers’ Pension Scheme (TPS) and the Local Government Pension Scheme for non-teaching staff. Staff recruitment is a national challenge and one which has had an impact on the academy and its finances.

The accounts show a net movement of funds of £393,454. This is after deducting depreciation of £713,722 and inclusion of an actuarial gain on the defined benefit pension scheme of £670,000. Excluding the depreciation and actuarial gain leaves us with a surplus of £437,176.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

Reserves Policy

The Trustees are aware of the need to balance current and future income and expenditure. The Academy's 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 2023 the total funds comprised:

Unrestricted	505,283
Restricted:	
Fixed asset funds	27,408,397
Pension reserve	(167,000)
Other	1,196,208
	<hr/>
	28,942,888
	=====

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 continuing into the year ending 31st August 2023 are summarised below:

Financial Risks

National Pay Awards

There was significant uncertainty throughout the year about the outcome of annual salary negotiations between the Government and Trade Unions. Concerns were that agreed uplifts would be higher than budgeted and that the amounts over and above what was previously budgeted would not be funded by the Government leaving Schools in a vulnerable position. For this reason the Academy was cautious in its spending during the year and has set aside, as far as is possible, funds to bear potential future increments.

War in Ukraine

The impact of the war in Ukraine on global energy prices and the cost of resources continued to remain a risk. Risks were mitigated by strategically negotiating prices with energy suppliers to secure the best deal for the School and by putting sufficient funds aside, as far as was possible, for the next 3 years.

Operational Risks

Risk of cyber attack

With many Schools falling victim to cyber crime in 2022-2023, this risk has come to the forefront. The Academy is working hard on reviewing risks, having all staff now trained in Cyber security and working on putting in place a Cyber Response Plan.

Risk of a widening gap in student performance

Westfield Academy has a diverse and comprehensive intake. Over 20% of our students are from low-income families. Our challenge post pandemic remains to narrow the achievement gap between all students and those from a disadvantaged background. We are pleased that in 2022/23 the Progress 8 measure for disadvantaged students was the best it has ever been. The measure was 0.0 which is the first time that it hasn't been negative and is in-line with the national average.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

Reduction in student numbers

We track student numbers in year 7 carefully as this is a strong indication of the likely needs for future years and the associated funding. In Oct 2023 student numbers were 1,350, the highest in the Academy's history. 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 2022 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 post-16 numbers for 2022/23 are +200, the highest in the Academy's history.

Reputational Risk

Student numbers

The continuing success of the Academy is dependent on attracting applicants in sufficient numbers by maintaining high educational standards. To mitigate this risk, Trustees work closely with the executive and management to ensure that student success and achievement are closely monitored and reviewed with a clear strategic Academy Improvement Plan outlining the objectives for the organisation over the next three years.

High calibre staff

The success of the Academy is reliant on the quality of its staff and so the Academy continues to ensure continued development and training of staff as well as ensuring a strategic approach to the recruitment and retention of high-quality staff. In 2022/23 staff recruitment and staff attendance were significant challenges for the academy and had an impact on the running of the day to day running.

Staff Wellbeing

The Academy is mindful of the increasing pressure upon teaching and non-teaching staff in the modern educational environment and is supportive of the moves in the UK public sector to raise the profile of staff wellbeing. During the year ending 31st August 2023, 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.

Compliance Risk

Internal Scrutiny reviews

During the year the School commissioned the following internal audits to identify and highlight potential areas of risk:

- Core Controls
- AcademyTrust Handbook
- Risk Management

Action plans were put in place to address all recommendations with set timelines to complete actions and with actions tracked at management and Board level.

Policies and Procedures

A suite of robust policies and procedures provide a good framework and means of reducing risk.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

FUNDRAISING

Westfield Academy did not seek charitable contributions from parents for the academic year ending 31st August 2023 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.

PLANS FOR FUTURE PERIODS

As a single academy trust, we are aware that the current political appetite is for single academy trusts to move to becoming multi academy trusts by 2030. We continue to explore partnerships with local primary schools and/or "similar" secondary 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 intends to maintain the current auditors for the academic year 2023-2024 after which time they will go out to tender.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2023 and signed on the board's behalf by:

V Assani
Chair of Trustees

14 December 2023

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

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
I. Phillips		1	1
D. Wadia		1	1
J. Rubinstein		1	1
E. Devani		0	1
R. Venchard		1	1

The board of trustees has formally met 5 times during the year which is considered appropriate for a school of this nature. Attendance during the year at meetings of the board of trustees was as follows:

Trustee		Meetings attended	Out of a possible
T. Body	Headteacher	5	5
V. Assani	Chair of Trustees	5	5
S. Ville		4	5
A. Chaudry		4	5
R. Preston		2	5
A. Harwin		2	5
G. Williams		4	5
M. Loosemore		2	5
B. Mallett		2	5
F. Ahmadzi		1	5

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.

WESTFIELD ACADEMY
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

GOVERNANCE (continued)

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
T. Body	Headteacher	4	4
B. Mallett	Chair of Resources	4	4
V. Assani		3	4
S. Ville		4	4

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
R. Preston	Chair of A & A	4	4
T. Body	Headteacher	3	4
V. Assani		3	4
A. Chaudhry		4	4
M. Loosemore		3	4
G. Williams		0	4

The Pay Committee is a sub-committee of the Resources committee, it's purpose is to:

Review and approve teachers and support staff pay policies and ensure there is alignment with strategic objectives alongside to consider and review the headteacher's recommendations for the pay of all staff ensuring that performance management policies and pay policies have been consistently and robustly applied.

Trustee		Meetings attended	Out of a possible
T. Body	Headteacher	1	1
S. Ville	Chair of Pay	1	1
A. Chaudhry		1	1
B. Mallett		1	1

CONFLICTS OF INTEREST

Annual declarations of interest are made by each Trustee for the Trust's register of interest. If any Trustee has an interest in any matter discussed at Board meetings, they are required to disclose such conflicts and do not participate in related discussions or decisions.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

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, as well as estates safety and management, 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.

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 2022 to 31 August 2023 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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has 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. In particular, the checks carried out in the current period included the testing of payroll and HR systems. The Board will continue to engage the services of Buzzacott LLP as internal auditor.

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 14 December 2023 and signed on its behalf by:

.....
V Assani
Trustee

.....
T Body
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Westfield Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust's Governing Body are able to identify any material irregular or improper use of 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 Trust Handbook 2022.

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.

.....
T Body

Accounting officer

14 December 2023

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

.....
V Assani

(Chair of Trustees)

Date: 14 December 2023

**INDEPENDENT AUDITOR'S 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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 AUDITOR'S 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 Auditor's 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 and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's 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 Auditor's report.

WESTFIELD ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and 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, Statutory Auditor

Maidenhead, United Kingdom

Date: 20 December 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (Registered number OC312313)

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 31 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

WESTFIELD ACADEMY
(A company limited by guarantee)

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 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 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 2022 to 31 August 2023 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, Statutory Auditor
Maidenhead, United Kingdom

Date: 20 December 2023

WESTFIELD ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	-	70,098	70,098	458,505
Other trading activities	5	193,321	-	-	193,321	164,812
Investments	6	133	-	-	133	238
Charitable activities	4	-	8,606,651	-	8,606,651	7,658,865
Total income		193,454	8,606,651	70,098	8,870,203	8,282,420
Expenditure on:						
Charitable activities		3,777	8,429,250	713,722	9,146,749	8,110,112
Total expenditure	7	3,777	8,429,250	713,722	9,146,749	8,110,112
Net income/ (expenditure)		189,677	177,401	(643,624)	(276,546)	172,308
Transfers between funds	17	-	(424,226)	424,226	-	-
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	670,000	-	670,000	2,319,000
Net movement in funds		189,677	423,175	(219,398)	393,454	2,491,308
Reconciliation of funds:						
Total funds brought forward		315,606	606,033	27,627,795	28,549,434	26,058,126
Net movement in funds		189,677	423,175	(219,398)	393,454	2,491,308
Total funds carried forward		505,283	1,029,208	27,408,397	28,942,888	28,549,434

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 26 to 56 form part of these financial statements.

WESTFIELD ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08526440

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	26,885,542	27,175,038
		<u>26,885,542</u>	<u>27,175,038</u>
Current assets			
Debtors	15	363,291	353,597
Cash at bank and in hand		2,457,908	2,572,341
		<u>2,821,199</u>	<u>2,925,938</u>
Creditors: amounts falling due within one year	16	(596,853)	(801,542)
Net current assets		<u>2,224,346</u>	<u>2,124,396</u>
Total assets less current liabilities		<u>29,109,888</u>	<u>29,299,434</u>
Defined benefit pension scheme liability	23	(167,000)	(750,000)
Total net assets		<u><u>28,942,888</u></u>	<u><u>28,549,434</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	27,408,397	27,627,795
Restricted income funds	17	1,196,208	1,356,033
Pension reserve	17	(167,000)	(750,000)
Total restricted funds	17	<u>28,437,605</u>	<u>28,233,828</u>
Unrestricted income funds	17	<u>505,283</u>	<u>315,606</u>
Total funds		<u><u>28,942,888</u></u>	<u><u>28,549,434</u></u>

The financial statements on pages 23 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....
V Assani
 (Chair of Trustees)
 Date: 14 December 2023

The notes on pages 26 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 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	19	239,562	523,223
Cash flows from investing activities	20	(353,995)	250,020
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(114,433)	773,243
Cash and cash equivalents at the beginning of the year		2,572,341	1,799,098
Cash and cash equivalents at the end of the year	21, 22	2,457,908	2,572,341
		<hr/>	<hr/>

The notes on pages 26 to 56 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 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 2023**

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 2023**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

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.

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

Depreciation is provided on the following basis:

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

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 note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.15 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

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 27.

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 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £	Total funds 2023 £
DfE/ESFA capital grants	70,098	70,098
	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
DfE/ESFA capital grants	23,505	23,505
Local Authority Capital Grants	435,000	435,000
	<u>458,505</u>	<u>458,505</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Funding for the Academy Trust's educational operations

	Restricted funds 2023 £	Total funds 2023 £
Educational operations		
DfE/ESFA grants		
General Annual Grant (GAG)	7,326,900	7,326,900
Other DfE/ESFA grants		
Pupil premium	277,233	277,233
Supplementary grant	303,327	303,327
Others	134,306	134,306
	<hr/> 8,041,766	<hr/> 8,041,766
Other Government grants		
Other local authority funding	303,069	303,069
	<hr/> 142,608	<hr/> 142,608
Other income from the Academy Trust's educational operations		
COVID-19 additional funding (DfE/ESFA)		
Other DfE/ESFA COVID-19 funding	119,208	119,208
	<hr/> 8,606,651	<hr/> 8,606,651
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Educational operations		
DfE/ESFA grants		
General Annual Grant (GAG)	6,575,092	6,575,092
Other DfE/ESFA grants		
Pupil premium	243,529	243,529
Supplementary grant	82,315	82,315
Others	122,911	122,911
	<u>7,023,847</u>	<u>7,023,847</u>
Other Government grants		
Other local authority funding	467,325	467,325
	<u>67,539</u>	<u>67,539</u>
Other income from the Academy Trust's educational operations		
COVID-19 additional funding (DfE/ESFA)		
Other DfE/ESFA COVID-19 funding	82,156	82,156
COVID-19 additional funding (non-DfE/ESFA)		
Other COVID-19 funding	17,998	17,998
	<u>7,658,865</u>	<u>7,658,865</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Hire of facilities and rental income	193,321	193,321
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Hire of facilities and rental income	164,812	164,812

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest receivable	133	133
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest receivable	238	238

WESTFIELD ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Academy's educational operations:				
Direct costs	5,481,153	-	947,142	6,428,295
Allocated support costs	701,723	1,407,217	609,514	2,718,454
	<u>6,182,876</u>	<u>1,407,217</u>	<u>1,556,656</u>	<u>9,146,749</u>
	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Academy's educational operations:				
Direct costs	4,848,177	-	747,107	5,595,284
Allocated support costs	798,330	1,264,406	452,092	2,514,828
	<u>5,646,507</u>	<u>1,264,406</u>	<u>1,199,199</u>	<u>8,110,112</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Academy's educational operations	<u>6,428,295</u>	<u>2,718,454</u>	<u>9,146,749</u>
	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Academy's educational operations	<u>5,595,284</u>	<u>2,514,828</u>	<u>8,110,112</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	5,481,153	4,848,177
Technology costs	72,466	70,770
Educational supplies	446,808	400,965
Examination fees	122,266	112,397
Educational consultancy	31,045	18,815
Staff expenses and other costs	120,728	109,219
Other direct costs	153,829	34,941
	6,428,295	5,595,284

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	33,000	48,000
Staff costs	701,723	798,330
Depreciation	713,722	637,015
Technology costs	62,971	14,692
Premises costs	740,847	618,385
PFI service costs	184,440	143,181
Legal costs	-	5,206
Governance costs	28,699	23,281
Other support costs	253,052	226,738
	2,718,454	2,514,828

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £ Reason
Gifts made by the Academy Trust	40	-

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	15,013	1,085
Depreciation of tangible fixed assets	713,722	637,015
PFI costs	184,440	143,181
Fees paid to auditor for:		
- audit	12,950	11,600
- other services	11,800	7,925

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	4,303,533	3,961,971
Social security costs	449,408	415,185
Pension costs	920,042	1,042,409
	5,672,983	5,419,565
Agency staff costs	509,893	204,485
Staff restructuring costs	-	22,457
	6,182,876	5,646,507

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Staff (continued)

a. Staff costs (continued)

Staff restructuring costs comprise:

	2023	2022
	£	£
Redundancy payments	-	5,000
Severance payments	-	17,457
	<u>-</u>	<u>22,457</u>

b. Special staff severance payments

There was no non-statutory/ non-contractual severance payments included in staff restructuring costs (2022: £7,368).

c. Staff numbers

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

	2023	2022
	No.	No.
Teaching	77	74
Administration and support	46	41
Management	2	2
	<u>125</u>	<u>117</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Staff (continued)

d. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	4	1
In the band £100,001 - £110,000	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 116. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,014,645 (2022 - £889,753).

12. Trustees' remuneration and expenses

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

		2023 £	2022 £
T Body, Principal	Remuneration	105,000 - 110,000	100,000 - 105,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

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 membership.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Astroturf £	Total £
Cost or valuation						
At 1 September 2022	29,357,000	483,774	809,444	14,000	257,301	30,921,519
Additions	-	236,225	188,001	-	-	424,226
Disposals	-	-	(137,258)	-	-	(137,258)
At 31 August 2023	29,357,000	719,999	860,187	14,000	257,301	31,208,487
Depreciation						
At 1 September 2022	2,514,210	402,259	639,840	10,062	180,110	3,746,481
Charge for the year	502,840	41,392	141,572	2,188	25,730	713,722
On disposals	-	-	(137,258)	-	-	(137,258)
At 31 August 2023	3,017,050	443,651	644,154	12,250	205,840	4,322,945
Net book value						
At 31 August 2023	26,339,950	276,348	216,033	1,750	51,461	26,885,542
At 31 August 2022	26,842,790	81,515	169,604	3,938	77,191	27,175,038

Included in long leasehold property is land at valuation of £4,215,000 (2022: £4,215,000) which is not depreciated.

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	99,972	25,575
Other debtors	-	55,032
Prepayments and accrued income	171,160	182,950
VAT recoverable	92,159	90,040
	363,291	353,597

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	137,392	312,858
Other taxation and social security	109,759	107,397
Other creditors	111,332	74,427
Accruals and deferred income	238,370	306,860
	596,853	801,542
	2023	2022
	£	£
Deferred income at 1 September 2022	143,744	213,067
Resources deferred during the year	-	143,744
Amounts released from previous periods	(143,744)	(213,067)
	-	143,744

At the balance sheet date, the Academy Trust was not holding funds received in advance.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
Astrosurf sinking fund	175,000	-	-	25,000	-	200,000
Sixth form expansion fund	-	-	-	227,145	-	227,145
	<u>175,000</u>	<u>-</u>	<u>-</u>	<u>252,145</u>	<u>-</u>	<u>427,145</u>
General funds						
General unrestricted funds	140,606	193,454	(3,777)	(252,145)	-	78,138
	<u>140,606</u>	<u>193,454</u>	<u>(3,777)</u>	<u>(252,145)</u>	<u>-</u>	<u>78,138</u>
Total Unrestricted funds	<u>315,606</u>	<u>193,454</u>	<u>(3,777)</u>	<u>-</u>	<u>-</u>	<u>505,283</u>
Restricted general funds						
General Annual Grant	1,308,611	7,326,900	(7,015,077)	(424,226)	-	1,196,208
Pupil premium	47,422	277,233	(324,655)	-	-	-
Other DfE/ESFA grants	-	437,633	(437,633)	-	-	-
Other local authority grants	-	303,069	(303,069)	-	-	-
Other restricted income	-	142,608	(142,608)	-	-	-
Catch-up premium	-	-	-	-	-	-
Other DfE/ESFA COVID-19	-	119,208	(119,208)	-	-	-
Other COVID-19 funding	-	-	-	-	-	-
Pension reserve	(750,000)	-	(87,000)	-	670,000	(167,000)
	<u>606,033</u>	<u>8,606,651</u>	<u>(8,429,250)</u>	<u>(424,226)</u>	<u>670,000</u>	<u>1,029,208</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Restricted fixed asset fund	27,175,038	-	(713,722)	424,226	-	26,885,542
DfE/ESFA capital grants	17,757	70,098	-	-	-	87,855
LA Capital Grant	435,000	-	-	-	-	435,000
	<u>27,627,795</u>	<u>70,098</u>	<u>(713,722)</u>	<u>424,226</u>	<u>-</u>	<u>27,408,397</u>
Total Restricted funds	<u>28,233,828</u>	<u>3,676,749</u>	<u>(9,142,972)</u>	<u>-</u>	<u>670,000</u>	<u>28,437,605</u>
Total funds	<u>28,549,434</u>	<u>8,870,203</u>	<u>(9,146,749)</u>	<u>-</u>	<u>670,000</u>	<u>28,942,888</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. 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 unspent DfE/ESFA capital grants of £87,855 and unspent LA capital grant of £435,000 will be used towards capital works on the Sixth Form Centre.

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 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Designated funds						
Astrosurf sinking fund	150,000	-	-	25,000	-	175,000
Sixth form expansion fund	-	-	-	-	-	-
	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>175,000</u>
General funds						
General unrestricted funds	556	165,050	-	(25,000)	-	140,606
	<u>556</u>	<u>165,050</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>140,606</u>
Total Unrestricted funds	<u>150,556</u>	<u>165,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>315,606</u>
Restricted general funds						
General Annual Grant	975,750	6,575,092	(6,130,014)	(112,217)	-	1,308,611
Pupil premium	12,328	243,529	(208,435)	-	-	47,422
Other DfE/ESFA grants	-	205,226	(205,226)	-	-	-
Other local authority grants	-	467,324	(467,324)	-	-	-
Other restricted income	-	67,540	(67,540)	-	-	-
Catch-up premium	20,404	-	(20,404)	-	-	-
Other DfE/ESFA COVID-19	-	82,156	(82,156)	-	-	-
Other COVID-19 funding	-	17,998	(17,998)	-	-	-
Pension reserve	(2,795,000)	-	(274,000)	-	2,319,000	(750,000)
	<u>(1,786,518)</u>	<u>7,658,865</u>	<u>(7,473,097)</u>	<u>(112,217)</u>	<u>2,319,000</u>	<u>606,033</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Restricted fixed asset funds						
Restricted fixed asset fund	27,603,330	-	(637,015)	208,723	-	27,175,038
DfE/ESFA capital grants	90,758	23,505	-	(96,506)	-	17,757
LA Capital Grant	-	435,000	-	-	-	435,000
	<u>27,694,088</u>	<u>458,505</u>	<u>(637,015)</u>	<u>112,217</u>	<u>-</u>	<u>27,627,795</u>
Total Restricted funds	<u>25,907,570</u>	<u>8,117,370</u>	<u>(8,110,112)</u>	<u>-</u>	<u>2,319,000</u>	<u>28,233,828</u>
Total funds	<u>26,058,126</u>	<u>8,282,420</u>	<u>(8,110,112)</u>	<u>-</u>	<u>2,319,000</u>	<u>28,549,434</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	26,885,542	26,885,542
Current assets	505,283	1,793,061	522,855	2,821,199
Creditors due within one year	-	(596,853)	-	(596,853)
Pension scheme liability	-	(167,000)	-	(167,000)
Total	<u>505,283</u>	<u>1,029,208</u>	<u>27,408,397</u>	<u>28,942,888</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	27,175,038	27,175,038
Current assets	315,606	2,157,575	452,757	2,925,938
Creditors due within one year	-	(801,542)	-	(801,542)
Pension scheme liability	-	(750,000)	-	(750,000)
Total	315,606	606,033	27,627,795	28,549,434

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

	2023 £	2022 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(276,546)	172,308
Adjustments for:		
Depreciation	713,722	637,015
Capital grants from DfE and other capital income	(70,098)	(458,505)
Interest receivable	(133)	(238)
(Increase)/decrease in debtors	(9,694)	9,318
Decrease in creditors	(204,689)	(110,675)
Pension adjustments	87,000	274,000
Net cash provided by operating activities	239,562	523,223

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	133	238
Purchase of tangible fixed assets	(424,226)	(208,723)
Capital grants from DfE Group	70,098	23,505
Capital funding received from sponsors and others	-	435,000
Net cash (used in)/provided by investing activities	(353,995)	250,020

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	2,457,908	2,572,341

22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,572,341	(114,433)	2,457,908
	2,572,341	(114,433)	2,457,908

23. Pension commitments

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The latest valuation was released on 27 October 2023. Employer contribution rates will increase by 5% from 23.6% to 28.6% with effect from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £672,895 (2022 - £637,510).

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £266,000 (2022 - £216,000), of which employer's contributions totalled £205,000 (2022 - £167,000) and employees' contributions totalled £61,000 (2022 - £49,000). 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.

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 and on 21st July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.5	3.6
Rate of increase for pensions in payment/inflation	3.0	3.2
Discount rate for scheme liabilities	5.2	4.25

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.9
Females	25.0	24.4
<i>Retiring in 20 years</i>		
Males	20.9	22.9
Females	25.2	26.0

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate -0.5%	345	425
Salary increase rate +0.5%	10	25
CPI rate +0.5%	345	400

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	<i>At 31 August 2022 £</i>
Equities	1,761,030	1,682,000
Bonds	828,720	773,720
Property	483,420	504,600
Cash and other liquid assets	379,830	403,680
Total market value of assets	3,453,000	<i>3,364,000</i>

The actual return on scheme assets was £(100,000) (2022 - £(225,000)).

The amounts recognised in the Statement of financial activities are as follows:

	2023 £	<i>2022 £</i>
Current service cost	(259,000)	(393,000)
Interest cost	(33,000)	(48,000)
Total amount recognised in the Statement of financial activities	(292,000)	<i>(441,000)</i>

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

	2023 £	<i>2022 £</i>
Opening defined benefit obligation	4,114,000	<i>6,252,000</i>
Current service cost	259,000	393,000
Interest cost	180,000	106,000
Employee contributions	61,000	49,000
Actuarial gains	(905,000)	(2,602,000)
Benefits paid	(89,000)	(84,000)
Closing defined benefit obligation	3,620,000	<i>4,114,000</i>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

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

	2023 £	2022 £
Opening fair value of scheme assets	3,364,000	3,457,000
Interest income	147,000	58,000
Return on asset less interest	(247,000)	(283,000)
Other actuarial gains	12,000	-
Employee contributions	61,000	49,000
Benefits paid	(89,000)	(84,000)
Employer contributions	205,000	167,000
Closing fair value of scheme assets	3,453,000	3,364,000

	2023 £	2022 £
The amount shown in the Statement of Financial Activities is:		
Changes in financial assumptions	917,000	2,602,000
Return on assets excluding amounts included in net interest	(247,000)	(283,000)
Actuarial gains/(losses) on defined benefit pension schemes	670,000	2,319,000

	2023 £	2022 £
The amount shown in the Balance Sheet is:		
Present value of defined benefit obligation	(3,620,000)	(4,114,000)
Fair value of scheme assets	3,453,000	3,364,000
Defined benefit pension scheme liability	(167,000)	(750,000)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. Operating lease commitments

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	22,520	-
Later than 1 year and not later than 5 years	22,520	-
After more than 5 years	7,507	-
	<u>52,547</u>	<u>-</u>

	2023 £	2022 £
PFI arrangement		
Within 1 year	183,900	135,774
Between 1 and 5 years	735,600	542,976
After more than 5 years	2,574,600	2,036,070
	<u>3,494,100</u>	<u>2,714,820</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.

25. Members' liability

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust 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.

27. Agency arrangements

The Academy Trust distributes 16-19 bursary funds as an agent for the ESFA. For the year ended 31 August 2023 the Academy Trust received £12,072 (2022: £16,624) and distributed £8,723 (2022: £16,509). An amount of £27,290 (2022: £23,941) is included in other creditors at 31 August 2023.