

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2022
for
Walkwood Academy Trust

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

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for the Year Ended 31 August 2022

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Walkwood Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2022

MEMBERS:	A Representative of (Worcester Diocese Academy Trust) Councillor J Beecham Fr G T Reading Mr K D Muir
TRUSTEES	Rev C Leach (Principal) Ms J Day-Jones (resigned 26.11.21) Mr K D Muir (Chair of Finance) Fr G T Reading Chair to Aug 21, Vice Chair from Sept 21 Mrs S Battle-Welch Mrs J Power (Chair of Trustees from Sept 21) Mr C R Onens Mr S Khan Mother V Barlow Rev R Wilson Minister of the Church
SENIOR MANAGEMENT TEAM	Rev C Leach, Principal Mrs M Johnson, Assistant Principal Mr S West, Assistant Principal Mrs D Timmins, Assistant Principal Mrs L Cull, Assistant Principal Mr A Hewitt, Business Leader
COMPANY SECRETARY	Mr A Hewitt
REGISTERED OFFICE	Walkwood Church of England Middle School Feckenham Road Headless Cross Redditch Worcestershire B97 5AQ
REGISTERED COMPANY NUMBER	08319098 (England and Wales)
AUDITORS	Thorne Widgey Accountancy Ltd Chartered Accountants Statutory Auditors 2 Wyevale Business Park Kings Acre Hereford Herefordshire HR4 7BS
SOLICITORS	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

Walkwood Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2022

BANKERS

Lloyds Bank Plc
PO Box 1000
BX1 1LT

Walkwood Academy Trust

Report of the Trustees
for the Year Ended 31 August 2022

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust operates an academy for pupils aged 9 to 13 in Redditch (Years 5, 6, 7 and 8). It has a pupil capacity of 168 in each year group and had a roll of 652 (2021: 645) in the school census on 1 October 2022.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of Walkwood Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, within a context that is inclusive but has a Christian distinctiveness.

As a state funded academy, it is our vocation, duty and delight to provide the best possible education for each pupil. We are a very friendly and focused school. We aim to inspire every child - Whatever their abilities - to achieve their very best and for them to make a valuable contribution to the Walkwood community. We want our pupils to love to learn.

Walkwood Academy Trust provides free education and care for pupils of different abilities. The aims of the Academy during the year ended 31 August 2022 are below:

- To continue to raise the standard of educational attainment and achievement of pupils.
- To provide a broad and balanced curriculum.
- To ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To provide value for money for the funds expended.
- To comply with all appropriate statutory and curriculum requirements.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

We aim to achieve the best for, and from, each child. We intend to enable each child to explore and utilise their academic, creative and physical talents and to develop positive social and moral values. Our academy is a community in which children, staff and parents are part of a happy and caring environment.

Our school is not just about knowledge and skills; it is also about inspiring children to look at the world differently and about challenging them to be fascinated by lessons and subjects. In this way, we encourage our pupils to learn to live, preparing them for an adult life in a changing world and as such we seek to equip our children for the future. We want them to excel in school and in later life.

We are a Church of England school which is fully inclusive of all faiths and beliefs. While Christian principles underpin all of the school's values, we know that these morals are shared by many faiths. Consequently, we also work to ensure children develop an understanding of each of the main world religions. We look for our pupils to take into their lives beyond our school an outlook that allows them to learn to love the experiences, people and spirituality that they encounter.

Therefore we want pupils to:

Love to Learn,
Learn to Live,
Live to Love.

Referencing the school's badge, there are two passages from the Bible:

"I appointed you to go and bear fruit, fruit that will last, so that the Father will give you whatever you ask him in my name." John 15: 16

"God blesses those people who are like trees growing beside a stream, trees that produce fruit in season and always have leaves."

Psalm 1: 3

Our mission is to continue to provide a high quality, balanced education to pupils in an enquiring and supportive environment. Experienced and subject specialist teaching staff are dedicated to developing each individual pupil's wellbeing while inspiring them to achieve their goals and to excel in lessons.

OBJECTIVES AND ACTIVITIES

Significant activities

The priorities over the last year can be summarised as:

A collective pedagogy and practice - Love to Learn

- Teachers' pedagogical thinking is developed in order to be consistent in curriculum implementation.
- Expand use of the learning journals to plan lessons, provide feedback to pupils and make explicit the pupils' 'next steps'.
- Teaching is focused on assisting pupils with long term memory of what is taught and how to integrate new knowledge and apply it.
- High quality differentiation is an integral part of lesson delivery and how it is enacted so pupils develop their knowledge and skills, particularly for the more able and those with SEND.

A shared engagement with reading and writing - Learn to Live

- Teaching develops pupils' fluency with language, including the use and accurate spelling of key vocabulary.
- Reading is used effectively within lessons and staff know how to draw out pupils' comprehension.
- Quality writing is developed across the curriculum and pupils are taught to write effectively for various purposes and audiences.

An ethos of excellence - Live to Love

- Return to high quality collective worship and aspects of spirituality, including reflection and evaluation.
- Re-establish and quality assure 'Living & Learning Together', pastoral colleges and vertical tutoring.
- Ensure the approach to attendance is embedded consistently.

Public benefit

The Trustees confirm they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity commission's general guidance on public benefit in exercising their powers or duties.

They have referred to this guidance when reviewing the Academy' aims and objectives and in planning its future activities.

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

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The school has continued to provide a curriculum that is broad and balanced, as well as being developed through the four years to show progression of knowledge and skills within each of the subjects that children study. The curriculum intent for the school is based upon 'Love to Learn; Learn to Live; Live to Love. The same principles are applied by each subject based on the curriculum being supplied.

Pastoral care remains strong. Pupils are in vertical tutor groups in four colleges, and supported by a pastoral manager and college leader. Our focus on high quality care and regular attendance continues.

Year 5 2021-22 GL data

At the start of year 5 the Maths mean Standard Age Score for this cohort was 94.1 which is classed as significantly lower than the national average. The end of year result of 96.2 was still classed as significantly lower than the national average but shows pupils have made progress during the year.

At the start of year 5 the English mean Standard Age Score for this cohort was 99.0 which is classed as not significantly different than the national average. The end of year result was 103.2 which is classed as significantly higher than the national average.

Year 6 2021-22 GL data

In Maths on entry to Walkwood in year 5, the mean Standard Age Score for this cohort was 89.7 which is classed as significantly lower than the national average. At the end of year 6, the mean Standard Age Score for this cohort was 96.1, which is still classed as significantly lower than the national average but shows pupils have made progress over the year.

In English on entry to Walkwood in year 5, the mean Standard Age Score for this cohort was 98.9 which is classed as not significantly different from the national average. At the end of year 6 the mean Standard Age Score for this group was 104.0 which is classed as significantly higher than the national average.

In Science on entry to Walkwood in year 5, the mean Standard Age Score for this cohort was classed as significantly lower than the national average at 96.1 At the end of year 6 the mean Standard Age Score for this cohort was 98.1 which is still significantly lower than the national average but shows that pupils have made progress during the year.

Year 7 2021-22 GL data

In Maths on entry to Walkwood in year 5, the mean Standard Age Score for this cohort was 96.4 which is classed as significantly lower than the national average. At the end of year 7 the mean Standard Age Score for this cohort was 99.2 which is not significantly different to the national average.

In English on entry to Walkwood in year 5, the mean Standard Age Score for this cohort was 100.1 which is classed as not significantly different from the national average. At the end of year 7, the mean Standard Age Score for this group was 99.2 which is still classed as not significantly different to the national average.

Year 8 GL data

On entry to Walkwood in year 5, in Maths, the mean Standard Age Score for this cohort was 94.0 which is classed as significantly lower than the national average. At the end of year 8 the mean Standard Age Score for this cohort was 103.5 which is classed as significantly higher than the national average.

On entry to Walkwood in year 5, in English, the mean Standard Age Score for this cohort was 99.1 which is classed as not significantly different than the national average. At the end of year 8, the mean Standard Age Score for this cohort was 101.4 which is not significantly different than the national average, and demonstrates progress has been made by pupils over time.

ACHIEVEMENT AND PERFORMANCE

Key financial performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, in particular, the management of spending against General Annual Grant (GAG). In the period under review, £267,866 was carried forward representing 1.5% of GAG (2021: 9.2%).

As funding is based on pupil numbers, this is also a key performance indicator. Pupils on roll per the October census are as follows:

Year	No
2022	652
2021	645
2020	655
2019	672
2018	682
2017	669
2016	636

Another key financial performance indicator is staffing costs as a percentage of ESFA GAG and other ESFA/DfE grant income. For the 2021-2022 academic year this was 89.7% (2021: 92.1%).

FINANCIAL REVIEW

Financial position

During the Year Ended 31 August 2022, the Academy received total income of £3,859,663 (2021: £3,621,453) and incurred total expenditure of £4,062,258 (2021: £3,798,693). The excess of expenditure over income for the year was £202,595 (2021: £177,240). The reserves position of the Academy as at 31 August 2022 can be seen on the balance sheet.

The Academy operates integrated curriculum and financial planning so that the staffing and curriculum costs can be met within the school's budget.

At 31 August 2022 the net book value of fixed assets was £6,305,289 (2021: £6,456,531) and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued in March 2013 at £6.668m. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

Principal funding sources

Most of the Academy income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to its particular purposes. The grants received from the DfE during the Year Ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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

Investment policy and objectives

Any excess monies are put on short-term deposits to obtain the best returns possible.

FINANCIAL REVIEW

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £52,192 (2021: £57,086), all of which is free reserves. The level of general restricted reserves excluding pension and fixed assets is £296,348 (2021: £267,866).

The reserves are held to ensure that there is sufficient monies available to pay at least one month's salaries. The use of Good Estate Management for Schools and an updated Risk Register will allow planned expenditure on specific matters.

Going concern

After making appropriate enquiries, the board of Trustees 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.

The school's reputation within the community remains strong and the commitment of current parents and carers to recommend the school is high as indicated by parental survey returns. This interest in the school and its commitment to both pastoral care and the broad curriculum offer have brought over-subscription in recent years, and there is no indication to suggest that pupil numbers shall decrease in Year 5. The school has been affected by inflationary pressures, and there are on-going additional costs associated with expenditure, and school leaders are aware of the need to continue to maintain the premises to provide a safe, comfortable and pleasant place for children and staff to work. It is believed that the Trust will have sufficient funds to pay its obligations over at least the next 12 months.

FUTURE PLANS

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

Walkwood Academy Trust will continue to work hard to reduce spend. We shall look to maintain the Curriculum Rationale and our Pastoral Strategy, which are the two arms that embrace the work around each child.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community and will continue to develop the school buildings to provide an engaging and stimulating learning environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The academy was incorporated on 5 December 2012 and opened as an academy on 1 January 2013 and 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 Walkwood Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Walkwood Academy Trust trading as Walkwood Church of England Middle School.

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

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 they ceased to be a member.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission in which the Trustees knew to be a breach of trust or a breach of duty or which was committed by the trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000 for any one loss and any one membership year.

Method of recruitment and appointment or election of Trustees

On 1 January 2013 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Principal, a minimum of 4 Parent Trustees, up to 3 staff Trustees (providing that the total number of Trustees, including the Principal, who are employees of the Academy Trust, does not exceed one third of the Total number of Trustees). And up to 8 other Trustees.

The academy trust shall have the following Trustees as set out in its Articles of Association and funding agreement;

- Up to 4 Trustees who are appointed by members.
- Up to 4 Parent Trustees who are elected by parents of registered pupils at the Academy.
- Up to 3 staff Trustees appointed by Staff at the Academy.
- Up to 3 foundation Trustees who are appointed by the Trustee Board.
- The Principal who is treated for all purposes as being an ex officio Governor.

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

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

The DfE's strong preference (Academy Trust Handbook 2021, para 1.23) that no-one other than a senior executive leader (if Members so appoint) can serve as trustees has been enacted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of Trustees normally meets once each term. They establish an overall framework for the governance of the Academy and determine membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are three committees as follows:

-Teaching, Learning and Curriculum - this meets three times a year to consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy; to evaluate School Development Plan priorities relating to teaching, learning and the curriculum; to review data regarding pupils' performance, using both external and internal information, including reference to specific groups of pupils compared to the cohort as a whole; to consider reports from external reviewers about curricular provision and the standards of teaching and learning; to scrutinise information regarding the quality of teaching and learning, gathered from monitoring carried out within the school, and to amend and approve policies that encompass the areas of teaching, learning and the curriculum.

-Ethos, Inclusion and Care - this meets three times a year to consider and advise the Governing Body on standards and other matters relating to the school's ethos and spirituality, with particular reference to the areas of SIAMS; to evaluate School Development Plan priorities relating to ethos, spirituality, inclusion and pastoral care; to receive and consider reports from external reviewers regarding pastoral provisions, disadvantaged pupils, SEND and safeguarding; to scrutinise information regarding the quality of pastoral care and inclusion, including attendance and sanctions, gathered from monitoring carried out within the school, and to amend and approve policies that encompass the areas of ethos, spirituality, inclusion and pastoral care.

-Staff, Premises and Commerce - this meets at least three times a year to consider and advise the Governing Body on standards and other matters relating to the school's financial management, including the approval of the yearly budget; to monitor the school's financial performance relative to the budget throughout the financial year, and make appropriate changes considered necessary; to scrutinise information regarding the sustaining or development of the school site, including health and safety, gathered from internal monitoring or external review; to ensure that there is appropriate work/life balance for staff and that their well-being is appropriately cared for; and to amend and approve policies that encompass the areas of staffing provision, resourcing and premises management, including the risk register. It also incorporates the role of an audit committee.

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

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Principal and Senior Leadership Team. The Senior Leadership Team comprises the Principal and four Assistant Principals. The Senior Leadership Team implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Business Leader. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team and the Business Leader are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to Budget Holders which must be authorised in line with the Academy's Finance Policy. The Principal is responsible for the appointment of staff.

The Principal is the Accounting Officer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new Trustees

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

Key management remuneration

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

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

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings. The national pay policy is used to set remuneration levels.

Related parties

There are no related parties which either control or significantly influence the decisions and operations of Walkwood Academy Trust. There are no sponsors associated with the Academy.

The Academy has ongoing collaborative links with other schools in the areas who operate three-tier provision.

Financial and Risk Management Objectives and Policies

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

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

Trustees have adopted a Responsible Officer Policy/ Internal Audit policy and appointed Academy Audit to undertake a programme of internal scrutiny checks on the financial controls for the 2020-2021 year only. During the year, the Trustees received reports from the Responsible Officer which contained no matters of significance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Risks and Uncertainties

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

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 91.9% (2021: 91.47%) of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Walkwood Academy Trust is located in the poorly funded county of Worcestershire and the school continues to work hard to reduce spend.

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

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

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

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

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

A risk register is maintained and reviewed and updated on a regular basis.

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

The Trustees regularly assess the major risks to which the academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including a recovery plan and internal controls described elsewhere.

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

Walkwood Academy Trust is over-subscribed and therefore the risks to revenue funding from a falling roll are small, particularly as our Academy is a popular and well-regarded school.

The Trustees examine the financial health formally six times a year, this being once each half term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings.

Walkwood Academy Trust

Report of the Trustees
for the Year Ended 31 August 2022

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Thorne Widgey Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 12/12/2022 and signed on its behalf by:

.....
Mrs J Power - Trustee

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Walkwood Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement of 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 Principal, 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 Walkwood Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

The Trustees consider that the Board and its Committees combined, meet adequately and regularly over the course of the year in order to discharge their responsibilities and have robust and effective management arrangements.

Governance Statement
for the Year Ended 31 August 2022

Governance

The information on governance included here supplements that described in the Report of the Governors and in the Statement of Governors Responsibilities. The board of governors has formally met 6 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor		Meetings Attended	Out of a possible
Mth V Barlow		0	7
Mrs S Battle-Welch		10	10
Mrs J Day-Jones		0	1
Mr S Khan		7	8
Rev C Leach		8	8
Mr K Muir		10	11
Mr C Onens		8	8
Mrs J Power	(Chair)	10	10
Father G Reading	(Vice-Chair)	2	7
Rev R Wilson		4	7

The Ethos, Inclusion and Care Committee is a sub-committee of the main Governing Body. Its purpose is to take a strategic role in maintaining the ethos of the school, and ensuring that the standards of care and inclusion are high. Also to monitor all aspects of pastoral care, inclusion, safeguarding and Christian distinctiveness. Attendance during the year at meetings of the board of governors was as follows:

Governor		Meetings Attended	Out of a possible
Mth V Barlow	(Left 31.08.22)	0	3
Mrs S Battle-Welch		3	3
Mrs J Power		3	3
Rev R Wilson	(Chair)	2	3

The Staffing, Premises and Commerce Committee is a sub-committee of the main Governing Body. Its purpose is to take a strategic role in setting the staffing provision, maintaining the fabric and site of the school, and ensuring that the standards of financial regularity are high. Also to monitor all aspects of staffing, premises maintenance and economics of the academy trust. Attendance during the year at meetings of the board of governors was as follows:

Governor		Meetings Attended	Out of a possible
Mr S Khan		4	4
Rev C Leach		4	4
Mr K Muir	(Chair)	4	4
Mr C Onens		4	4

The Teaching, Learning and Curriculum Committee is a sub-committee of the main Governing Body. Its purpose is to take a strategic role in setting the curriculum and ensuring that the standards of teaching and learning are high. Also to monitor all aspects of teaching and learning. Attendance during the year at meetings of the board of governors was as follows:

Governor		Meetings Attended	Out of a possible
Mrs S Battle-Welch	(Chair)	3	3
Father G Reading		0	3
Mr K Muir		2	3
Mrs J Power		3	3

The Governors feel the combination of the above Committees helps them to meet the effective oversight requirement of the Academies Financial Handbook 2021.

Governance Statement
for the Year Ended 31 August 2022

Review of Value for Money

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

- Improved financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making benchmarking comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying more staff effectively.
- Reviewing the quality of curriculum provision and the quality of teaching.
- Reviewing the quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Continue to carry out preventative maintenance to the academy's facilities and maintaining the upkeep of the school buildings to reduce the longer term costs to the Academy.

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 Walkwood Academy Trust for the period 1 September 2021 to 31 August 2022 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 1 September 2021 to 31 August 2022 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
for the Year Ended 31 August 2022

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of the Trustees.
- Regular reviews by the Staffing, Premises and Commerce committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees has decided:

- to buy-in an internal audit service from Academy Audit.

The internal auditors role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of recruitment processes
- testing of business continuity processes
- testing of control account/bank reconciliation

On a quarterly basis, the auditor reports to the board of trustees, through the staffing, premises and commerce committee on the operation of the systems of control and on the discharge of the board of trustee's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned.


Review of Effectiveness


As accounting officer, the Principal 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 external auditors
- The financial Management and governance self-assessment process
- The work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the staffing, premises and commerce committee and a recovery plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 12/12/2022 and signed on its behalf by:


.....
Mrs J Power - Trustee

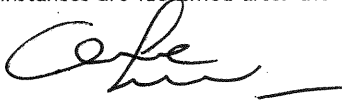

.....
Rev C Leach - Accounting Officer

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2022

As accounting officer of Walkwood 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 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 Academy Trust Handbook 2021.

I confirm that I and the academy trust board of trustees 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 Academy Trust Handbook 2021.

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.



.....
Rev C Leach - Accounting Officer

Date: 12/12/2022.....

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2022

The trustees (who act as governors of Walkwood Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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 the 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.

In preparing these financial statements, the trustees are required to state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Approved by order of the board of trustees on 12/12/2022 and signed on its behalf by:

.....

Mrs J Power - Trustee

Report of the Independent Auditors to the Members of
Walkwood Academy Trust

Opinion

We have audited the financial statements of Walkwood Academy Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the Academy itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Department for Education, the Education and Schools Funding Agency, the Academies Financial Handbook 2021, the Academies Accounts Direction 2022, Companies Act legislation and Charities Act and FRS102 SORP legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- Making enquiries of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Assessing the design effectiveness of the controls in place to prevent and detect fraud;
- Assessing the risk of management override including identifying and testing journal entries;
- Challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

Report of the Independent Auditors to the Members of
Walkwood Academy Trust

Use of our report

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



Mrs Lisa Weaver (Senior Statutory Auditor)
for and on behalf of Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: ...19/12/22.....

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

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Walkwood Academy Trust during the period 1 September 2021 to 31 August 2022 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 Walkwood Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Walkwood Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Walkwood Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Walkwood Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

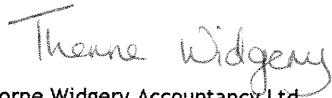
- detailed testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended
- specific testing, on a sample basis, of system controls relevant to the above
- a general review of correspondence with the appropriate authorities regarding Academy governance matters during the year
- a general review and discussion of the Academy's internal procedures for establishing and maintaining systems of control and documentation regarding these matters

This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Thorne Widgery Accountancy Ltd
Chartered Accountants
Reporting Accountant
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:19/12/22.....

Statement of Financial Activities
for the Year Ended 31 August 2022

				31.8.22	31.8.21	
	Notes	General Fund £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	165,096	13,173	1	178,270	31,989
Charitable activities						
Funding for the academy's educational operations	3	-	-	3,511,973	3,549,917	3,488,235
Other trading activities	4	131,414	-	-	131,414	101,151
Investment income	5	61	-	-	61	78
Total		<u>296,571</u>	<u>13,173</u>	<u>3,511,974</u>	<u>3,859,662</u>	<u>3,621,453</u>
EXPENDITURE ON Charitable activities						
Academy's educational operations	7	244,381	164,414	3,615,520	4,062,258	3,798,693
Total		<u>244,381</u>	<u>164,414</u>	<u>3,615,520</u>	<u>4,062,258</u>	<u>3,798,693</u>
NET INCOME/(EXPENDITURE)		52,190	(151,241)	(103,546)	(202,596)	(177,240)
Transfers between funds	18	-	19,971	(19,971)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit schemes		-	-	1,425,000	1,425,000	76,000
Net movement in funds		<u>52,190</u>	<u>(131,270)</u>	<u>1,301,483</u>	<u>1,222,404</u>	<u>(101,240)</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		57,086	6,436,562	(1,581,134)	4,912,514	5,013,754
TOTAL FUNDS CARRIED FORWARD		<u><u>109,276</u></u>	<u><u>6,305,292</u></u>	<u><u>(279,651)</u></u>	<u><u>6,134,918</u></u>	<u><u>4,912,514</u></u>

The notes form part of these financial statements

Walkwood Academy Trust

Balance Sheet
31 August 2022

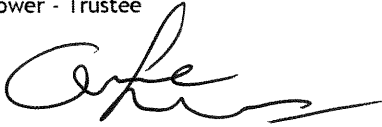
	Notes	31.8.22 £	31.8.21 £
FIXED ASSETS			
Tangible assets	12	6,305,289	6,456,531
CURRENT ASSETS			
Debtors	13	150,252	87,147
Cash at bank and in hand		475,229	393,350
		<u>625,481</u>	<u>480,497</u>
CREDITORS			
Amounts falling due within one year	14	(214,558)	(166,830)
		<u>410,923</u>	<u>313,667</u>
NET CURRENT ASSETS			
		6,716,212	6,770,198
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	15	(5,294)	(8,684)
PENSION LIABILITY	19	(576,000)	(1,849,000)
		<u>6,134,918</u>	<u>4,912,514</u>
NET ASSETS			
FUNDS	18		
Restricted funds:			
DfE capital grants		460,617	488,555
General Annual Grant		296,348	267,866
Restricted Pension Reserve		(576,000)	(1,849,000)
Fixed Assets on Conversion		5,657,396	5,773,518
Fixed Assets funded by GAG		67,722	52,087
Academies Capital Maintenance Fund		119,557	122,402
		<u>6,025,640</u>	<u>4,855,428</u>
Unrestricted funds:			
General fund		109,278	57,086
TOTAL FUNDS		<u>6,134,918</u>	<u>4,912,514</u>

The notes form part of these financial statements

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on ~~.....~~ 12/12/2022..... and were signed on its behalf by:


.....
Mrs J Power - Trustee


.....
Rev C Leach - Trustee

Walkwood Academy Trust

Cash Flow Statement
for the Year Ended 31 August 2022

	Notes	31.8.22 £	31.8.21 £
Cash flows from operating activities			
Cash generated from operations	1	73,659	70,511
Net cash provided by operating activities		<u>73,659</u>	<u>70,511</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(31,187)
Capital grants from DfE/EFA		13,174	13,434
Interest received		61	78
Net cash provided by/(used in) investing activities		<u>13,235</u>	<u>(17,675)</u>
Cash flows from financing activities			
Loan repayments in year		(5,015)	(3,250)
Net cash used in financing activities		<u>(5,015)</u>	<u>(3,250)</u>
Change in cash and cash equivalents in the reporting period			
		81,879	49,586
Cash and cash equivalents at the beginning of the reporting period			
		<u>393,350</u>	<u>343,764</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>475,229</u></u>	<u><u>393,350</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 August 2022

1.	RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.8.22	31.8.21
		£	£
	Net expenditure for the reporting period (as per the Statement of Financial Activities)	(202,596)	(177,240)
	Adjustments for:		
	Depreciation charges	151,240	153,145
	Capital grants from DfE/ESFA	(13,174)	(13,434)
	Interest received	(61)	(78)
	(Increase)/decrease in debtors	(63,104)	27,805
	Increase/(decrease) in creditors	49,354	(50,687)
	Difference between pension charge and cash contributions	152,000	131,000
		<u>73,659</u>	<u>70,511</u>
	Net cash provided by operations	<u>73,659</u>	<u>70,511</u>
2.	ANALYSIS OF CHANGES IN NET FUNDS		
		At 1.9.21	Cash flow
		£	£
	Net cash		At 31.8.22
	Cash at bank and in hand	393,350	£
		<u>393,350</u>	475,229
		<u>393,350</u>	<u>475,229</u>
	Debt		
	Debts falling due within 1 year	(5,015)	1,625
	Debts falling due after 1 year	(8,684)	3,390
		<u>(13,699)</u>	<u>(8,684)</u>
	Total	<u>379,651</u>	<u>466,545</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2021 to 2022 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £52,192 (2021: £57,086), all of which is free reserves. The level of general restricted reserves is £296,348 (2021: £267,866).

The Trustees have prepared forecasts that indicate that income in the coming year is anticipated to equal expenditure for the next 3 years.

The Trustees are currently reviewing the financial position of the Academy to ensure it has a surplus on free reserves in the medium to long term, and the Trustees believe that the Academy will be able to continue as a going concern.

The Trustee's assessment that is appropriate to use the going concern assumption is based on the following:

- a) the Academy has adequate cash to fund its working capital requirements during this period;
- b) there is no significant unbudgeted expenditure or capital expenditure, unless supported by additional funding, during this period; and
- c) income is received in line with the forecast

On this basis the Trustees have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

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

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; 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 - continued
for the Year Ended 31 August 2022

1. ACCOUNTING POLICIES - continued

Grants

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

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

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation any provision for impairment.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

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

Depreciation is provided on the following bases:

Long-term leasehold	- Leasehold land is depreciated over 125 years on a straight line basis. - Leasehold buildings are depreciated over 50 years on a straight line basis. - Roofing is depreciated over 20 years on a straight line basis.
Furniture and equipment	- 25% straight line basis
Computer equipment	- 33% straight line basis

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

Liabilities

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

Provisions

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

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

Leased Assets

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

Investments

Any surplus funds will be invested to ensure maximum deposit.

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes to the accounts. Prepayments are not financial instruments.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

1. **ACCOUNTING POLICIES - continued**

Financial instruments

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

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

Cash at bank in hand

Cash at bank and in hand includes cash and cash on deposit that has a notice period of less than 30 days.

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.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

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

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The assumptions used by the actuaries in the year end LGPS pension valuation do not take account of the current inflation rates. Although this would adjust the valuation, the Trustees feel this is an arbitrary exercise which would add unnecessary additional cost in these already financially challenging times. A full triennial valuation was performed in 2022, the results of which will come into effect from 1 April 2023.

Critical accounting estimates and areas of judgement

Estimates and judgement 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying out 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 2022. 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.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	31.8.22 Total funds	31.8.21 Total funds
	£	£	£	£
Other grants and payments	1,803	-	1,803	1,195
Capital grants	-	13,174	13,174	13,434
School trips etc	163,293	-	163,293	17,360
	<u>165,096</u>	<u>13,174</u>	<u>178,270</u>	<u>31,989</u>

The capital grants of £13,434 included in the comparatives related to restricted funds.

Grants received, included in the above, are as follows:

	31.8.22 £	31.8.21 £
Capital Grants	<u>13,174</u>	<u>13,434</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	3,124,863	3,124,863	2,920,800
Other DfE Grants	-	32,409	32,409	19,267
Sports Premium	-	19,280	19,280	19,360
Pupil Premium	-	150,550	150,550	139,842
Teachers Pay Grant	-	-	-	38,641
Teachers Pension Grant	-	-	-	109,186
Other Dfe/ESFA - Supplementary	-	37,943	37,943	-
	-	3,365,045	3,365,045	3,247,096
Other Government grant				
Other government grants	-	157,507	157,507	151,099
COVID-19 Additional funding (DfE/ESFA)s				
Covid catch up	-	18,242	18,242	39,743
Covid Other	-	9,123	9,123	12,380
	-	184,872	184,872	203,222
COVID-19 Additional funding (Non-DfE/ESFA)s				
Coronavirus Job Retention Scheme	-	-	-	3,357
Other Coronavirus funding	-	-	-	34,560
	-	184,872	184,872	241,139
	-	3,549,917	3,549,917	3,488,235

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under exceptional government funding.

- The academy furloughed some of its parent-funded staff under the government's CJRS. The funding received of £nil (2021: £3k) relates to staff costs in respect of no members (three in 2021) of staff.
- The academy received £18k of funding for recovery premium and costs incurred in respect of this funding totalled £18k.

Income in the comparatives related to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
Room and building hire	14,157	-	14,157	13,767
Catering income	110,569	-	110,569	76,876
Income from other school	20	-	20	-
Other income	6,668	-	6,668	10,508
	131,414	-	131,414	101,151

Income in the comparatives related to unrestricted funds.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
Deposit account interest	61	-	61	78
	<u>61</u>	<u>-</u>	<u>61</u>	<u>78</u>

Income in the comparatives related to unrestricted funds.

6. EXPENDITURE

	Non-pay expenditure			31.8.22	31.8.21
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	2,563,065	116,122	474,242	3,153,429	2,937,285
Allocated support costs	456,039	184,590	268,200	908,829	861,408
	<u>3,019,104</u>	<u>300,712</u>	<u>742,442</u>	<u>4,062,258</u>	<u>3,798,693</u>
				31.8.22	31.8.21
				£	£
Operating Leases				25,607	30,981
Auditors' Remuneration				10,815	10,500
Other non-audit services				9,325	2,025
Depreciations - leased assets				116,122	116,122
Depreciations - owned assets				35,119	37,023
				<u>35,119</u>	<u>37,023</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
Direct costs	95,507	3,057,922	3,153,429	2,937,285
Support costs	148,874	759,955	908,829	861,408
	<u>244,381</u>	<u>3,817,877</u>	<u>4,062,258</u>	<u>3,798,693</u>
			31.8.22	31.8.21
			Total	Total
			£	£
Analysis of support costs				
Support staff costs			456,039	491,327
Technology costs			70,855	45,944
Premises costs			184,590	150,293
Other support costs			175,992	159,356
Governance costs			21,353	14,488
Total support costs			<u>908,829</u>	<u>861,408</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

8. STAFF COSTS

	31.8.22	31.8.21
	£	£
Wages and salaries	2,163,503	2,218,166
Social security costs	187,723	195,644
Operating costs of defined benefit pension schemes	533,597	526,167
	<u>2,884,823</u>	<u>2,939,977</u>
Supply teacher costs	134,281	50,950
	<u>3,019,104</u>	<u>2,990,927</u>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31.8.22	31.8.21
Teachers	36	35
Administration and support	44	46
Management	5	5
	<u>85</u>	<u>86</u>

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

	31.8.22	31.8.21
£70,001 - £80,000	<u>1</u>	<u>1</u>

Key Management Personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £464,909 (2021: £399,103).

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role of Trustees.

The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
C Leach	(Principal and trustee)	Remuneration £75,000 - £80,000	£75,000 - £80,000
		Employer's pension contribution £15,000 - 20,000	£15,000 - £20,000
H Wood	(Staff trustee)	Remuneration -	£15,000 - £20,000
		Employer's pension contribution -	£0 - £5,000
(Resigned as trustee Jan 2021)		Remuneration -	£25,000 - £30,000
T Tomes	(Staff trustee)	Employer's pension contribution -	£5,000 - £10,000
(Resigned as trustee Apr 2021)			

During the year, no other Trustees received any remuneration or other benefits (2021 - £Nil).

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

10. 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.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	General Fund £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	18,555	13,433	1	31,989
Charitable activities				
Funding for the academy's educational operations	-	-	3,488,235	3,488,235
Other trading activities	101,151	-	-	101,151
Investment income	78	-	-	78
Total	119,784	13,433	3,488,236	3,621,453
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	144,223	155,362	3,499,108	3,798,693
Total	144,223	155,362	3,499,108	3,798,693
NET INCOME/(EXPENDITURE)	(24,439)	(141,929)	(10,872)	(177,240)
Transfers between funds	24,624	-	(24,624)	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes	-	-	76,000	76,000
Net movement in funds	185	(141,929)	40,504	(101,240)
RECONCILIATION OF FUNDS				
Total funds brought forward	56,899	6,578,491	(1,621,636)	5,013,754
TOTAL FUNDS CARRIED FORWARD	57,084	6,436,562	(1,581,132)	4,912,514

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2021 and 31 August 2022	6,702,493	794,549	82,541	65,768	7,645,351
DEPRECIATION					
At 1 September 2021	928,975	121,636	75,201	63,008	1,188,820
Charge for year	116,122	27,994	5,767	1,359	151,242
At 31 August 2022	1,045,097	149,630	80,968	64,367	1,340,062
NET BOOK VALUE					
At 31 August 2022	5,657,396	644,919	1,573	1,401	6,305,289
At 31 August 2021	5,773,518	672,913	7,340	2,760	6,456,531

The academy were issued with a revised DFE land and buildings valuation in the previous year, however the Governor's of the academy consider the original cost to be the most appropriate value at this time as the assets are still in good condition and used for the same purpose.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Trade debtors	7,460	55
VAT	53,680	14,494
Prepayments and accrued income	89,112	72,598
	<u>150,252</u>	<u>87,147</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Other loans (see note 16)	3,390	5,015
Trade creditors	66,758	49,616
Social security and other taxes	111,521	100,235
Accruals and deferred income	32,889	11,964
	<u>214,558</u>	<u>166,830</u>
	31.8.22	31.8.21
	£	£
Deferred Income at 1 September	9,652	3,615
Resources deferred in the year	9,958	9,652
Amounts released from previous years	(9,652)	(3,615)
Deferred Income at 31 August	<u>9,958</u>	<u>9,652</u>

At the balance sheet date the Academy Trust was holding funds received in advance in relation to school meals paid in advance by Parents and Carers and rates relief.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.22	31.8.21
	£	£
Other loans (see note 16)	5,294	8,684
	<u>5,294</u>	<u>8,684</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.8.22	31.8.21
	£	£
Amounts falling due within one year on demand:		
Other loans	3,390	5,015
	<u>3,390</u>	<u>5,015</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	5,294	8,684
	<u>5,294</u>	<u>8,684</u>

Included within loans are two Salix Loans. The full value of the loans outstanding is £8,684. The loan is repayable in six-monthly instalments over 7 years with an applicable annual interest rate of 0%

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

		Restricted		31.8.22
	General	Fixed	Restricted	
	Fund	Asset	General	Total
	£	Fund	Fund	funds
	£	£	£	£
Fixed assets	-	6,305,289	-	6,305,289
Current assets	115,276	16,951	493,254	625,481
Current liabilities	(5,998)	(5,014)	(203,546)	(214,558)
Long term liabilities	-	(11,934)	6,640	(5,294)
Pension liability	-	-	(576,000)	(576,000)
	<u>109,278</u>	<u>6,305,292</u>	<u>(279,652)</u>	<u>6,134,918</u>

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

		Restricted		31.8.21
	General	Fixed	Restricted	
	Fund	Asset	General	Total
	£	Fund	Fund	funds
	£	£	£	£
Fixed assets	-	6,456,531	-	6,456,531
Current assets	62,910	(458)	418,045	480,497
Current liabilities	(5,824)	(7,577)	(153,429)	(166,830)
Long term liabilities	-	(11,934)	3,250	(8,684)
Pension liability	-	-	(1,849,000)	(1,849,000)
	<u>57,086</u>	<u>6,436,562</u>	<u>(1,581,134)</u>	<u>4,912,514</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

18. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Restricted general funds				
DfE capital grants	488,555	(27,938)	-	460,617
General Annual Grant	267,866	48,453	(19,971)	296,348
Restricted Pension Reserve	(1,849,000)	1,273,000	-	(576,000)
Fixed Assets on Conversion	5,773,518	(116,122)	-	5,657,396
Fixed Assets funded by GAG	52,087	(4,336)	19,971	67,722
Academies Capital Maintenance Fund	122,402	(2,845)	-	119,557
	<u>4,855,428</u>	<u>1,170,212</u>	<u>-</u>	<u>6,025,640</u>
Unrestricted fund				
General fund	57,086	52,192	-	109,278
	<u>4,912,514</u>	<u>1,222,404</u>	<u>-</u>	<u>6,134,918</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
DfE capital grants	13,174	(41,112)	-	(27,938)
General Annual Grant	3,124,864	(3,076,411)	-	48,453
Other Restricted	157,507	(157,507)	-	-
Other DfE Grants	32,408	(32,408)	-	-
Restricted Pension Reserve	-	(152,000)	1,425,000	1,273,000
Fixed Assets on Conversion	-	(116,122)	-	(116,122)
Fixed Assets funded by GAG	(1)	(4,335)	-	(4,336)
Academies Capital Maintenance Fund	-	(2,845)	-	(2,845)
Other Dfe/ESFA - Sports Premium	19,280	(19,280)	-	-
Other Dfe/ESFA - Covid Catch Up Premium	18,243	(18,243)	-	-
Other Dfe/ESFA - Covid Other	9,123	(9,123)	-	-
Other Dfe/ESFA - Pupil Premium	150,550	(150,550)	-	-
Other Dfe/ESFA - Supplementary	37,943	(37,943)	-	-
	<u>3,563,091</u>	<u>(3,817,879)</u>	<u>1,425,000</u>	<u>1,170,212</u>
Unrestricted fund				
General fund	296,571	(244,379)	-	52,192
	<u>3,859,662</u>	<u>(4,062,258)</u>	<u>1,425,000</u>	<u>1,222,404</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Restricted general funds				
DfE capital grants	507,037	(18,482)	-	488,555
General Annual Grant	162,047	108,096	(2,277)	267,866
Restricted Pension Reserve	(1,794,000)	(55,000)	-	(1,849,000)
Fixed Assets on Conversion	5,889,640	(116,122)	-	5,773,518
Fixed Assets funded by GAG	56,566	(4,479)	-	52,087
Academies Capital Maintenance Fund	125,248	(2,846)	-	122,402
Other Dfe/ESFA - Sports Premium	10,317	(12,594)	2,277	-
Non -Dfe/ESFA Covid-19 funding	-	24,624	(24,624)	-
	<u>4,956,855</u>	<u>(76,803)</u>	<u>(24,624)</u>	<u>4,855,428</u>
Unrestricted fund				
General fund	56,899	(24,437)	24,624	57,086
	<u>5,013,754</u>	<u>(101,240)</u>	<u>-</u>	<u>4,912,514</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
DfE capital grants	13,433	(31,915)	-	(18,482)
General Annual Grant	2,920,800	(2,812,704)	-	108,096
Other Restricted	154,456	(154,456)	-	-
Other DfE Grants	19,267	(19,267)	-	-
Restricted Pension Reserve	-	(131,000)	76,000	(55,000)
Fixed Assets on Conversion	-	(116,122)	-	(116,122)
Fixed Assets funded by GAG	-	(4,479)	-	(4,479)
Academies Capital Maintenance Fund	-	(2,846)	-	(2,846)
Other Dfe/ESFA - Sports Premium	19,360	(31,954)	-	(12,594)
Other Dfe/ESFA - Teachers Pay	38,641	(38,641)	-	-
Other Dfe/ESFA - Teachers Pension Grant	109,186	(109,186)	-	-
Other Dfe/ESFA - Covid Catch Up Premium	39,744	(39,744)	-	-
Other Dfe/ESFA - Covid Other	12,380	(12,380)	-	-
Other Dfe/ESFA - Pupil Premium	139,842	(139,842)	-	-
Non -Dfe/ESFA Covid-19 funding	34,560	(9,936)	-	24,624
	<u>3,501,669</u>	<u>(3,654,472)</u>	<u>76,000</u>	<u>(76,803)</u>
Unrestricted fund				
General fund	119,784	(144,221)	-	(24,437)
	<u>3,621,453</u>	<u>(3,798,693)</u>	<u>76,000</u>	<u>(101,240)</u>

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

18. MOVEMENT IN FUNDS - continued

- General Annual Grant (GAG): Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August
- Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.
- Other Restricted General Funds: include payments made towards Academy trips.
- The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.
- Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.
- Unrestricted Funds: are all those income and expenses for general use in the Academy.

Transfers between funds relate to re-allocation of expenditure on fixed assets.

19. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Worcestershire 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 to the period ended 31 March 2019.

Contributions amounting to £57,151 were payable to the schemes at 31 August 2022 (2021 - £52,238) and are included within creditors.

Teachers' pension scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

19. PENSION AND SIMILAR OBLIGATIONS - continued

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £333,533 (2021 - £334,003).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £233,000 (2021: £232,000), of which employer's contributions totalled £193,000 (2021: £192,000) and employees' contributions totalled £40,000 (2021: £40,000). The agreed contribution rates for future years are 20.20% for employers and between 5.5% and 12.5% for employees.

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

The annual valuation at 31 August 2022 has taken into account the effects of the McCloud judgement.

As the scheme is in deficit, the academy has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels.

The rates payable over a three year period will be the Future Service Rate of 13.5% of payroll plus phased lump sum deficit contributions starting at £54,000 for the year to 31 March 2021, increasing by approximately 4% per annum.

The current estimated recovery period is 19 years.

The assumptions used by the actuaries in the year end LGPS pension valuation do not take account of the current inflation rates. Although this would adjust the valuation, the Trustees feel this is an arbitrary exercise which would add unnecessary additional cost in these already financially challenging times. A full triennial valuation was performed in 2022, the results of which will come into effect from 1 April 2023.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

19. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.8.22	31.8.21
	£	£
Current service cost	312,000	289,000
Net interest from net defined benefit asset/liability	30,000	31,000
Past service cost	-	-
	<u>342,000</u>	<u>320,000</u>
Actual return on plan assets	<u>(55,000)</u>	<u>347,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.22	31.8.21
	£	£
Opening defined benefit obligation	4,182,000	3,578,000
Current service cost	312,000	289,000
Contributions by scheme participants	40,000	40,000
Interest cost	71,000	65,000
Experience (gain)/loss	277,000	(78,000)
Actuarial losses/(gains)	(1,771,000)	315,000
Benefits paid	(61,000)	(27,000)
Actuarial (gains)/losses from changes in demographic assumptions	(27,000)	-
	<u>3,023,000</u>	<u>4,182,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.22	31.8.21
	£	£
Opening fair value of scheme assets	2,333,000	1,784,000
Contributions by employer	193,000	192,000
Contributions by scheme participants	40,000	40,000
Expected return	41,000	34,000
Actuarial gains/(losses)	(96,000)	313,000
Benefits paid	(61,000)	(27,000)
Assets admin expenses	(3,000)	(3,000)
	<u>2,447,000</u>	<u>2,333,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

19. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.22	31.8.21
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	27,000	-
Actuarial gains/(losses)	1,425,000	76,000
	<u>1,452,000</u>	<u>76,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.22	31.8.21
	£	£
Equities	1,796,000	1,941,000
Bonds - Other	66,000	2,000
Property	203,000	103,000
Cash/Liquidity	44,000	58,000
Other	338,000	229,000
	<u>2,447,000</u>	<u>2,333,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31.8.22	31.8.21
Inflation assumption (CPI)	2.90%	2.70%
Increase in salaries	4.40%	4.00%
Increase in pensions	3.00%	2.80%
Discount rate	4.30%	1.70%

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

Retiring today		
Males	22.6	22.7
Females	25	25.1
Retiring in 20 years		
Males	24.1	24.4
Females	27	27.1

Sensitivity analysis

	31.8.22	31.8.21
	£	£
Discount rate +0.1%	(58,000)	(80,000)
Discount rate -0.1%	59,000	82,000
Mortality assumption - 1 year increase	62,000	132,000
Mortality assumption - 1 year decrease	(61,000)	(128,000)
CPI rate +0.1%	59,000	81,000
CPI rate -0.1%	(58,000)	(79,000)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

20. CONTINGENT LIABILITIES

There are no significant contingent liabilities that the Governors are aware of.

21. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.22	31.8.21
	£	£
Within one year	3,720	28,675
Between one and five years	6,510	10,230
	<u>10,230</u>	<u>38,905</u>

22. RELATED PARTY DISCLOSURES

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. The following related party transactions took place in the previous financial period.

During the previous year the Academy made sales of £9,111 for the letting of the school to Funzone, a company in which Amanda Lawler, a Trustee of the Academy Trust (until resignation on 21st July 2021), is a director. Also during the previous year the Academy made payments to Funzone of £1,418 in relation to services provided to the Academy. At the year end 31st August 2021 there was a balance of £280 owed to Funzone.

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying 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.