

Company Registration No. 07635098 (England and Wales)

**THE WILLOW LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

THE WILLOW LEARNING TRUST

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THE WILLOW LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

S Brown (Chair of Trustees)
T Magill (Vice Chair of Trustees)
M Holness
J Wright
S Hume* (Accounting Officer)
G Stonell*
S Cook*
I Paget (associate Trustee)
S Waring (associate Trustee)
D Balogun
N Griffiths* (associate Trustee – resigned 06/07/21)
R Burrows (resigned 18/10/2021)
P Beckford (associate Trustee from 06/07/21)

* members of the Finance, Shared Services and Audit Committee

Members

J Wright
R Frogley
D Cheesman
J Driels
S Stears

Academies Operated

Glenthorne High School, Sutton
Aragon Primary School, Morden
Abbey Primary School, Morden

Trust Senior Leadership Team

- Chief Executive Officer and
- Headteacher at Glenthorne High
- Headteacher at Aragon Primary
- Headteacher at Abbey Primary
- Executive Headteacher Primaries
- Deputy Headteacher at Glenthorne
- Deputy Headteacher at Aragon
- Deputy Headteacher at Abbey

S Hume
J Davey
L Tunstall (resigned 04/02/21)
J Davey (in post from 04/02/21)
S Peacock
C Ryder
B Bedforth

Secretary

K Guest

Company registration number

07635098 (England and Wales)

Registered office

Glenthorne High School
Sutton Common Road
Sutton
Surrey
SM3 9PS
United Kingdom

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

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REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank PLC
49-53 High Street
Sutton
Surrey
SM1 1DT

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9B

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the year ended 31 August 2021. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2020/2021 issued by the ESFA.

The principal activity of the company is the operation of state-funded Academies, Glenthorne High School, Aragon Primary School and Abbey Primary School, providing a state education for students of both genders aged 3 to 19. The trust had a roll of 2642 in the school census in January 2021.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee incorporated on 16 May 2011, and the predecessor school converted to academy status on 1 July 2011. The charitable company's memorandum and articles of association are its primary governing documents. On 7 July 2017, the company changed its name to The Willow Learning Trust and adopted new articles of association to allow it to operate as a Multi Academy Trust. On 1 August 2017, Aragon Primary School joined the trust and on 1 September 2018, Abbey Primary School joined the Trust.

The Trustees, who are also the directors for the purpose of company law, and who served during the year, are set out in the Reference and Administrative Details section on pages 1 and 2.

Members' liability

The Willow Learning Trust is registered under the Companies Act 2006 as a company limited by guarantee without a share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member. The Academy Trust is an exempt charity.

Trustees' Indemnities

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its trustees.

Method of recruitment and appointment or election of Trustees

In accordance with the articles, the Trustees of the charitable company are appointed as follows:

- a) Up to nine Trustees appointed by the Members
- b) A minimum of two parent Trustees elected by parents may be elected in the absence of a Local Governing Body
- c) The Chief Executive Officer, should they agree to act as a Trustee
- d) Further Trustees may be co-opted by the Trustees

In respect of those appointed by the Members, (a) above, when a vacancy arises, the Members seek to make an appointment that would maximise the relevant skills and experience on the board as a whole whilst maintaining a balanced constitution.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in charity and educational, legal and financial matters. All Trustees are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Trustees.

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Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least four times a year and has several committees, including a Finance, Shared Services and Audit Committee, Premises Committee, Admissions Committee, Personnel Committee, Curriculum and Standards Committee and Local Governing Bodies. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Trustees delegate specific responsibilities to its Committees, the activities of which are reported to and discussed at full Trustee Board Meetings. Day to day management of the Trust is undertaken by the Chief Executive Officer, supported by the senior leaders at Trust schools. The Chief Executive Officer is the Accounting Officer and the Director of Finance is the Chief Financial Officer.

Arrangements for setting pay and remuneration of key management personnel

The Senior Leadership Teams (SLT) are the key management personnel of the trust. Trustees are also classed as senior management although they receive no pay or other remuneration in respect of their role as Trustees. Where staff trustees are in place, they receive remuneration for their role as members of staff and their pay is determined in the same way as applicable to all other staff in line with the Trust's Pay & Conditions Policy. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Chief Executive Officer is set annually by the Trustees' Performance Review Panel, taking account of performance against objectives set the previous year. Pay of SLT members is agreed by the Personnel Committee, again taking into account performance against previously agreed objectives, the agreed pay structure for the SLT and any recommendations made by the Chief Executive Officer.

Trade Union Facility Time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total Cost of facility time	£901.05
Total Pay bill	£12.6M
Percentage of the total pay bill spent on facility time	0.0001%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Related Parties and other Connected Charities and Organisations

The Academy Trust does not have a sponsor and is not related to any other charitable trust or other party.

Engagement with employees (including disabled persons)

The following statement summarises action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the Trust's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust.
- The Trust's policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons.

The Trust places immense value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Trust. This is achieved through formal and informal meetings, team briefings and internal newsletters/updates. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

In respect of disabled persons, the policy of the Trust is to support recruitment and retention of students, staff and Trustees/Governors with disabilities. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of all the schools. The Trust does this by adapting the physical environment, making support resources available and through relevant training. Our policy is to promote the career development and promotion of disabled persons, irrespective of the nature of their disability and we will provide whatever assistance we reasonably can do in order to support the individual in meeting their career goals, ensuring that there is a 'level playing field' for all.

Engagement with suppliers, customers and others in a business relationship with the trust

The Trust recognises the importance of maintaining good business relationships with its suppliers. We have a clear procurement policy to ensure that suppliers are treated in an even-handed manner. The performance of and relationship with key suppliers is constantly monitored to ensure that we treat suppliers fairly, ensuring that payment terms are adhered to and that we comply with contractual obligations placed upon the Trust. We encourage an open and ongoing dialogue with suppliers to ensure that we conduct our business with them in a professional commercial manner.

Our objects and aims, described below, put students at the heart of all that we do. We have described our main achievements within the Strategic Report and also how we have performed against our objectives. We are committed to ensuring that we maintain strong and effective relationships with students, parents and wider stakeholders in the community.

Objectives and activities

Objects and aims

The principal object of the company is to advance, for the public benefit, education in the United Kingdom. It achieved this object principally through the operation of Glenthorne High School, Aragon Primary School and Abbey Primary School, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its pupils and students.

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TRUSTEES' REPORT

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Objectives, strategies and activities

The main objectives for the Willow Learning Trust during the year were:

- To ensure the health and safety of all pupils and staff for the wider reopening of schools following the Covid 19 pandemic.
- Further develop and implement the all-through curriculum design with Aragon and Abbey Primary Schools to harmonise curricula, avoiding repetition and gaps
- Further develop and Implement the shadow staffing structure to improve efficiency and raise standards
- Continue to implement development plans utilising independent reviews conducted at each school.
- Plan and consult on GHS admissions policy with prioritised admissions for Aragon and Abbey
- Improve transition from Abbey and Aragon by establishing transition working party and programme of observations and meetings to establish common values, focus on expectations of pupils at each school and support for pupils to develop resilience and appropriate skills
- Further develop the SCITT, adopting the new Core Curriculum Framework for Initial Teaching Training.
- Make best and most efficient use of resources to ensure Trust's financial security and enable capital investment.
- Invest in school buildings and facilities and to ensure that individual schools within the Trust will be better able to withstand future financial pressures.
- Have a robust marketing strategy to improve knowledge of and interest in all the schools of the WLT
- Expand the Trust to maximise economies of scale and enhance collaboration and support.

The main objectives for Abbey Primary School during the year were:

- To ensure the curriculum is relevant, engaging and ambitious.
- To ensure consistency of practice in reading and writing across the whole school.
- To manage the uncertainty of Covid 19 and support all stakeholders.
- To ensure all SEND children are prepared for their next stage in learning and interventions are appropriately delivered to enhance children's capacity to access the full curriculum.
- To maintain and sustain an effective budget.
- To ensure subject-specific vocabulary is consistent across all subjects.
- To continue to provide ongoing professional development for staff to develop their understanding of learning theories.
- To further involve parents in supporting their children across the curriculum at home and in school.
- To identify children who did not engage with remote learning and provide structure interventions to narrow any gaps.
- To increase support for vulnerable children with poor attendance, behaviour and social and emotional needs and support parents to engage with Early Help intervention.

The main objectives for Aragon Primary School during the year were:

- To maintain the health and safety of pupils, staff and the school in the aftermath of the Covid 19 school closure.
 - To ensure effective communication with stakeholders.
 - To ensure staff wellbeing is effectively managed with an open-door policy and regular meetings.
 - To meet to create shared aims for the alignment of the curriculum across the Trust.
 - To continue to facilitate the smooth transition in foundation subjects between years 5 and 8.
 - To assess children to ascertain their baseline and identify gaps in learning due to lockdown.
 - To further develop online learning platform for homework, reading diaries, project work and remote learning.
 - To further develop staff CPD using online training providers.
 - To maintain the standards reached in foundation subjects
 - To ensure the gap between girls and boys reaching a good level of development narrows.
 - To improve assessment in EYFS with training for EYFS staff in the use of everyday opportunities to develop children's understanding and use of appropriate vocabulary.
 - To research the implications of the new EYFS Framework and discuss how to implement in Sept 2021.
 - To ensure that NQTs receive appropriate and suitable professional guidance and training to enable them to successfully pass their NQT year.
 - To continue rigorous monitoring of SEN provision
 - To ensure as many 'enrichment' activities as possible.
 - To raise the profile of BAME, celebrating diversity days.
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- To clear and refurbish the outside quads to create an outdoor learning area and raise the importance of outdoor learning.
- To build positive relationships and foster positive emotions by building a sense of pride and belonging within the school

The main objectives for Glenthorne High School during the year were:

- To expand cultural capital and promote cross curricular teaching
- To further develop wellbeing provision for both pupils and staff and successfully support pupils with a growing number of pupils citing mental health issues, providing a universal and targeted offer.
- To ensure the delivery of an ambitious vision for 2-year KS3 through effective planning and sequencing with full coverage in depth of all NC topics which develops an appreciation of our rich and varied cultural heritage by teaching pupils about great historical figures and important movements.
- To ensure the delivery of "GCSE+" for 3-year KS4 through greater depth, breadth and independence to achieve top GCSE grades and prepare pupils for the challenges of KS5
- To develop a distinct curriculum for Year 9, building on strengths in the Arts and ensuring STEM activities are developed across the school.
- To provide instrumental lessons and regular opportunities to come together to play and perform.
- To plan Immersion Days, including Y9 Immersion Days, to promote school priorities and address gaps in the curriculum.
- To continue collaboration with Primary Schools to ensure smooth transition and to ensure KS3 curriculum builds on progress from KS2.
- To develop provision across the Arts to ensure pupils receive a challenging curriculum that is rich in cultural heritage and provides opportunities to take part in competitions and examinations in the Arts.
- To increase challenge and further develop independent learning.
- To continue to develop strategies to improve pupils' sense of belonging and connectedness to the school, year group and House
- To expand and improve accommodation by completing corridor and staircase widening and construction of new Science Laboratory.
- To improve and develop IT infrastructure to support teaching and learning and efficient systems
- To improve Sixth form attainment and progress and ensure positive value added and improve Oxbridge/Russell Group university preparation

Public benefit

In setting the objectives and planning the associated activities, Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic report

Work continued to develop and align the curriculum in core subjects, however the work was significantly hampered by the partial closure and lockdown of all 3 Trust schools in January, following government guidance. All 3 Trust schools remained open for key-worker children and vulnerable children only and all other pupils were required to work from home remotely. In March all three schools re-opened, as recommended by the government. Staff across the Trust worked hard to ensure that education was disrupted as little as possible, providing the opportunity for remote learning for pupils who were isolating. This had serious implications on the Trust operations and activities for the year. SATs, GCSE and A level exams were all cancelled as well as transition plans and events. Virtual induction evenings took place for new Year 7 and Year 12 pupils and key information was sent to new reception and nursery parents.

Achievements and performance at Abbey Primary School

The school closed from 5th January 2021, however it remained open for vulnerable children and children of key workers. Learning continued online, with use of SeeSaw and google classroom platforms. Food vouchers were distributed to families who were eligible for free school meals and families received regular communication from staff throughout the period of school closure.

Formal assessments were cancelled for 2020/21, therefore teachers gathered evidence for children who were not on track to make their expected progress. This evidence will be used to plan next steps and develop how to target and support children in September.

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A thorough risk assessment and procedures were developed in consultation with staff and governors to support the re-opening of the school in March.

Achievements and performance at Aragon Primary School

Aragon staff continued to deliver high quality education for their pupils during lockdown and worked particularly hard to stay open for key worker and vulnerable children. The school offered support not just emotionally, but also with food deliveries and new technology. Staff worked long hours to ensure that their lessons were prepared and adapted for online working.

A comprehensive risk assessment was developed to ensure a safe and secure environment for both staff and children at the school and an addendum to the child protection policy was put in place to maintain safeguarding standards throughout lockdown.

Online training was made available for all staff and a curriculum review was conducted to assess teaching and learning prior to and during lockdown in a very detailed format to aid teachers to identify gaps in learning for September.

Achievements and performance at Glenthorne High School

With the cancellation of all examinations for this academic year, GCSE results were published based on centre assessed grades. The results represented a further improvement on last year's results and, the best the school has achieved since the GCSE reforms. 91% of all grades were at 4+, with 40% at 7+. 92% of pupils gained both English and Maths at 4+ and 72% of students achieved both English and Maths at 5+. 48.8% of students achieved the E-Bacc at a standard pass, and 39% with a strong pass.

Results at A level were excellent with 100% of grades at A*-E (14% at A*, 37% at A*/A, 69% at A*-B, and 91% at A*-C). Exam Boards didn't change any of the grades given by the school. Results from vocational courses were also excellent with 32% at D*, 56% at D+, 30% at M+ and 100% passed.

The destinations this year encompassed a huge range of institutions, including Conservatoires and Russell Group universities such as King's College, Leeds, Southampton, UCL, Sheffield, Exeter, Bristol, Nottingham, Birmingham and Durham.

A significant number of events were sadly cancelled this year, however the school held Arts Week in July where pupils took part in a week of spectacular musicals, shows, plays and dance including a Summer Music Concert and a performance of Mary Poppins. The performances took part outside in the playground, with a small audience of parents and staff, to adhere to Covid 19 regulations.

Several Year 8 pupils took part in a university course with a PhD tutor from Nottingham, encompassing critical theory of feminism, racial and post-colonial literature. Their final marks reflected their hard work and effort: five pupils attained a 1st and four pupils attained a 2:1 for their final assignments. 65 Year 10 pupils also took part in the National Biology Challenge, achieving Gold, Silver and Bronze awards.

The Channel 4 documentary; The School that Tried to End Racism, which was filmed at the school, received a BAFTA in the Reality and Constructed Factual category.

SCITT achievements and performance

From September 2020, there have been significant changes to frameworks for ITT including a new Ofsted Framework and new Core Curriculum Framework (CCF) for Initial Teacher Education. Since September there have been two further structural changes to the long-term delivery of ITT nationally; the replacement of Teaching Schools with Teaching School Hubs and the introduction of the Institute of Teaching to begin from 2022. In addition, the SCITT has faced the additional challenges of providing remote teaching for trainees as well as developing their skills in the classroom whilst trainees haven't been in school.

The SCITT has rewritten its curriculum into a new, more comprehensive Programme of Study linked to the new ITT Core Content. There has been a significant increase in the focus on curriculum design and the evidence base provided by the CCF. The Programme now makes clearer links between what trainees are learning in Professional Studies and Hub to the school context and how this is applied on placement. There is a bigger role for mentors in being able to understand and apply the evidence. In addition, we have introduced a new assessment framework

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which focuses on the core skills trainees develop during the programme and is used as a formative assessment tool with the Teachers' Standards now only being used as a summative tool

In response to school closure from January to March, the Programme was rewritten so trainees were able to prepare for return to school through completing tasks related to their placement schools. All mentor meetings and training continued but mostly online with some sessions face-to-face where necessary. Primary trainees continued teaching pupils of critical workers face-to-face in school at least one day a week. Secondary trainees were not required to teach in school as pupils in school were being supervised, not taught. All secondary trainees observed remote teaching at the beginning of the term and later taught remotely.

The SCITT faced additional challenges, being inspected by Ofsted 14th – 17th June. The inspection was very successful and the SCITT was subsequently judged to be outstanding in all areas.

There has been a significant change to bursaries for 2021/22 which has presented more challenges for recruitment in subjects other than science and maths. Recruitment was 49 trainees recruited for Secondary and 19 for Primary for 2021/22.

Key financial performance indicators

The key financial indicators for the year were as follows

- Staff costs (excluding the effect of FRS102 LGPS deficit valuation adjustment and supply costs) should not exceed 75% of revenue income (excluding transfers on conversion) received in the financial year. For 2020/21 staff costs were 80% of revenue income (82% in 2019/20).
- Revenue budgets should avoid any 'in-year' deficit. The financial year 2020/21 resulted in an 'in-year' revenue surplus of £302k.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Covid-19 pandemic had a significant impact on the financial performance of the Trust. The schools in the Trust had to invest in software, hardware and training to enable remote learning to take place as effectively as possible. The government provided some laptops and 4G dongles for the most disadvantaged children, but other software equipment and training were drawn from the schools' budgets. There was also expenditure for cleaning (staff and equipment), some of which was funded by the government. Furthermore, schools' budgets were affected by reduced income for lettings, catering and expenditure on catch-up programmes.

The key risks to the Trust are pupil numbers, energy costs and staff sickness. Pupil numbers are the principal factor in school income and there has been significant staff sickness over the last 12 months which results in additional costs for supply and cover staff.

Glenthorne is currently discussing the potential of a bulge class with the local authority; this would have a positive impact on both revenue and capital funding in the future. The SCITT faces the possibility of a reaccreditation process over the next 12 months, also potentially having a material effect of the budget. In general, the Trusts' budgets remain healthy and there are no material deficits.

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as Other government grants. Such income is

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collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but, clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme (LGPS) deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

Fund	Category	2021 £'000	2020 £'000
GAG	Restricted General Funds	679	379
Other DfE/ESFA Grants	Restricted General Funds	74	-
Other government grants	Restricted General Funds	-	-
Teaching School	Restricted General Funds	34	15
Other Income	Restricted General Funds	42	137
	Sub-total General Restricted Funds	829	531
Unspent Capital Grants	Restricted Fixed Asset Fund	188	1,454
Salix Loans	Restricted Fixed Asset Fund	(25)	(25)
Other Income	Unrestricted General Fund	328	324
	Sub-Total Spendable Funds	1,320	2,284
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	56,725	55,740
Share of LGPS Deficit	Restricted Pension Reserve	(10,780)	(8,771)
	Total All Funds	<u>47,265</u>	<u>49,253</u>

During the year under review, there was an increase of £298k (2020: increase of £69k) on general restricted funds, an increase of £4k (2020: increase of £7k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease of £1,988k (2020: decrease of £1,198k).

Trust Board's assessment of the Trust as a going concern.

The Trust Board has considered the annual accounts and confirms that it assesses the Trust to be a going concern. Both cashflow and management accounts show that the Trust balances are healthy. Pupils' numbers, despite falling rolls in the area at primary level, remain healthy; roll numbers have been used as the foundation of 3-year budgets which all have healthy balances. Our reserves are not high, but we believe they are sufficient and all schools had a significant carry-forward last year. Our schools are coping well with the challenge of Covid19. Our risk register identifies the risks to the Trust and none of the risks are rated as red. We regularly carry out skills audits of Board members and firmly believe that the Board has the skills to meet its responsibilities.

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Reserves policy

Trustees consider it prudent to maintain a level of useable reserves sufficient to cover unexpected and unplanned events so that the school's primary objective is preserved. Levels of reserves are monitored by the Finance Committee through monthly financial monitoring reports. Trustees have an aspiration to achieve a reserve of 3% of the school's annual budget, taking into account the cost of one month's salary bill, the annual budget and any large development projects. However, this is not always possible due to factors outside our control and reductions in funding. The 3-year budgets within the Trust include anticipated funding and expenditure and include assumptions for future planning.

Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to academic performance/finances/child welfare/admissions. The Trustees have implemented a number of systems to assess risks that the Academy Trust faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The principal financial risk faced by the company is that on-going pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Our fundraising practices

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the Trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The Trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the Trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

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Streamlined energy and carbon reporting (SECR)

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	664,186	614,993
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	475.05	384.83
Owned transport – mini-buses	.30	0.62
<u>Total scope 1</u>	475.35	385.45
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	187.92	226.36
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	0.00025	0.32
Total gross emissions in metric tonnes CO2e	663.27	612.14
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.26	0.24

Quantification and Reporting Methodology:-

- We have followed the 2020 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Plans for future periods

The WLT vision is for every school in the Trust to be an outstanding school and to raise standards through close partnership and collaboration between the schools in the Trust on curriculum alignment, shared assessment systems and prioritised admissions for Trust schools.

- Continue to implement the Trust Development Plan to raise standards, monitoring the primary and secondary curricula and assessment systems to ensure that alignment is embedded.
- Focus on identifying gaps in knowledge due to the lockdown and pandemic and support pupils to catch up.
- Plan a robust marketing strategy to improve knowledge of and interest in all the schools within the Trust, especially Primary Schools, where primary-aged pupil numbers are dropping, to ensure that all places are filled.
- Make best and most efficient use of resources to ensure the Trust's financial security and enable capital investment in resources and accommodation.
- Continue close collaboration on WLT central administration and WLT responsibilities.
- Expand the WLT to maximise economies of scale and enhance collaboration and support.

Safety plans and risk assessments are all in place for the restrictions currently in place. The schools within the Trust all have outbreak management plans in the event of increased numbers of Covid cases. All schools have coped

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

well, but the demands at both primary and secondary on staff are great and may reduce capacity and impact on teaching and learning.

Funds held as Custodian Trustee

The Trust does not hold funds in the capacity of custodian trustee on behalf of any third parties.

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the Trust's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees as the company directors, on 10th December 2021 and signed on the Board's behalf by:



.....
S Brown
Chair of Trustees

THE WILLOW LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The Board of Trustees have delegated the day-to-day responsibility to the Chief Executive Officer, 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 The Willow Learning Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Brown (Chair)	4	4
T Magill (Vice Chair)	4	4
M Holness	4	4
J Wright	4	4
S Hume	4	4
S Waring	4	4
I Paget	4	4
S Cook	3	4
G Stonell	4	4
N Griffiths	4	4
D Balogun	4	4
R Burrows	4	4

Governance Reviews

Social-distancing measures meant that physical meetings did not take place. Effective governance and internal controls were maintained by virtual meetings and virtual checks where possible.

The Finance, Shared Services and Audit Committee is a sub-committee of the Board of Trustees. Its primary purpose is to ensure the sound management of the Trust's finance and resources. In addition to regular monitoring of Trust and school budgets, during 2020/21 the committee received regular reports from the Chief Financial Officer and Auditors and agreed Trust policies for Reserves, Tendering and Whistleblowing. Attendance at meetings during the year was as follows:

Trustees	Meetings attended	Out of a possible
G Stonell (Chair)	5	5
S Hume	5	5
S Cook	3	5
N Griffiths	5	5

THE WILLOW LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Review of Value for Money

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

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

- Rigorous tracking of pupil progress and attainment at all key stages to ensure interventions and support are provided where most needed in order to achieve the best outcome.
- Regular reviews of both primary and secondary curriculum ensure they are broad and balanced and provide extra-curricular and extension activities to enable pupils at all key stages to achieve the highest levels of academic and personal achievement.
- Reviewing the senior leadership team structures in all Trust schools regularly to ensure capacity at each school and greater focus on key priorities.
- Working closely with other schools in Sutton and Merton and through the Secondary and Primary SCITT on issues such as teacher training, INSET and place planning.
- Ensuring the quality of teaching continues to be a priority for the Trust with all teachers encouraged to aspire and work towards consistently outstanding teaching. Teachers are given clear guidance and effective training on teaching priorities and strategies.
- Maintaining robust financial governance with Trustees regularly monitoring financial management through scrutiny of monthly monitoring reports as well as reports and recommendations from the Chief Financial Officer, Responsible Officer and auditor.
- Tendering carried out in line with the Trust's Tendering Policy with 2 quotes for expenditure over £1k and 3 quotes for expenditure over £5k.
- Regularly seeking opportunities to generate additional funding.
- Regularly monitoring the progress of building works through site meetings and reports with expenditure considered by Trustees to ensure value for money.
- Participating with other schools and Trusts to buy services through the Local Authority at competitive prices such as insurance and IT network arrangements. The principles of value for money underpin all purchasing decisions throughout the Trust.
- Continuing to centralise Trust services to provide opportunities for economies of scale.

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 The Willow Learning Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

THE WILLOW LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance 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 Finance, Shared Service and Audit committee issued a scope of works to be undertaken for internal scrutiny.

School Business Services completed this giving advice on financial matters and performing a range of checks on the Trust's financial systems.

Checks carried out during visits included;

- IT
- Management Accounts
- Purchasing
- Budget Setting

During these checks there were no material control issues arising. The Finance Committee have considered reports at their meetings throughout the year. Control issues arising from any audit/internal scrutiny reviews are discussed and action agreed to rectify issues raised.

Review of effectiveness

As Accounting Officer, Mr Hume 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 internal scrutiny;
- the work of the External Auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Members of the Board of Trustees on 10th December 2021 and signed on its behalf by:



.....

S Brown

Chair of Trustees



.....

S Hume

Chief Executive Officer and Accounting Officer

THE WILLOW LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of The Willow Learning 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 Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's 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 Academies Financial Handbook 2020.

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



S Hume
Accounting Officer

10 December 2021

THE WILLOW LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of The Willow Learning Trust for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of Trustees on 10th December 2021 and signed on its behalf by:



S Brown

Chair of Trustees

THE WILLOW LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOW LEARNING TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the Financial Statements of The Willow Learning Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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, which comprises the information included in the annual report other than the Financial Statements and our auditor's report 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 there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE WILLOW LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOW LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 Trustees' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

THE WILLOW LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOW LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company'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 charitable company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Members as a body, for our audit work, for this report, or for the opinions we have formed.



David John Walsh FCCA (Senior Statutory Auditor)

For and on behalf of Baxter & Co

Chartered Certified Accountants

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 14 December 2021

THE WILLOW LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WILLOW LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Willow Learning Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Willow Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Willow Learning Trust's funding agreement with the Secretary of State for Education dated 13 October 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure. The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2020, issued by the ESFA.
- Consideration of compliance with the 'musts' in the Academies Financial Handbook.

THE WILLOW LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WILLOW LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 14 December 2021

THE WILLOW LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Restated Total 2020 £'000
Income and endowments from:						
Donations and capital grants	3	-	-	404	404	1,552
Charitable activities:						
- Funding for educational operations	4	165	15,725	-	15,890	15,220
- Funding for teaching school	30	-	53	-	53	27
Other trading activities	5	30	(32)	-	(2)	113
Investments	6	1	-	-	1	8
Total		<u>196</u>	<u>15,746</u>	<u>404</u>	<u>16,346</u>	<u>16,920</u>
Expenditure on:						
Raising funds	7	-	5	-	5	5
Charitable activities:						
- Educational operations	9	192	16,106	909	17,207	16,852
- Teaching School	30	-	34	-	34	33
Total	7	<u>192</u>	<u>16,145</u>	<u>909</u>	<u>17,246</u>	<u>16,890</u>
Net income/(expenditure)		4	(399)	(505)	(900)	30
Transfers between funds	20	-	(224)	224	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	22	-	(1,087)	-	(1,087)	(1,228)
Net movement in funds		4	(1,710)	(281)	(1,987)	(1,198)
Reconciliation of funds						
Total funds brought forward		<u>324</u>	<u>(8,240)</u>	<u>57,169</u>	<u>49,253</u>	<u>50,451</u>
Total funds carried forward		<u>328</u>	<u>(9,950)</u>	<u>56,888</u>	<u>47,266</u>	<u>49,253</u>

THE WILLOW LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £'000	Restricted funds: General Fixed asset £'000 £'000		Restated Total 2020 £'000
Income and endowments from:					
Donations and capital grants	3	-	-	1,552	1,552
Charitable activities:					
- Funding for educational operations	4	-	15,220	-	15,220
- Funding for teaching school	30	-	27	-	27
Other trading activities	5	33	80	-	113
Investments	6	8	-	-	8
Total		<u>41</u>	<u>15,327</u>	<u>1,552</u>	<u>16,920</u>
Expenditure on:					
Raising funds	7	5	-	-	5
Charitable activities:					
- Educational operations	9	29	15,906	917	16,852
- Teaching School	30	-	33	-	33
Total	7	<u>34</u>	<u>15,939</u>	<u>917</u>	<u>16,890</u>
Net income/(expenditure)		7	(612)	635	30
Transfers between funds	20	-	(31)	31	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	22	-	(1,228)	-	(1,228)
Net movement in funds		7	(1,871)	666	(1,198)
Reconciliation of funds					
Total funds brought forward		<u>317</u>	<u>(6,369)</u>	<u>56,503</u>	<u>50,451</u>
Total funds carried forward		<u>324</u>	<u>(8,240)</u>	<u>57,169</u>	<u>49,253</u>

THE WILLOW LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	13		4		8
Tangible assets	14		56,725		55,732
			<u>56,729</u>		<u>55,740</u>
Current assets					
Stocks	15	9		18	
Debtors	16	987		1,877	
Cash at bank and in hand		2,530		1,963	
		<u>3,526</u>		<u>3,858</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(2,204)		(1,559)	
Net current assets			<u>1,322</u>		<u>2,299</u>
Total assets less current liabilities			58,051		58,039
Creditors: amounts falling due after more than one year	18		(5)		(15)
Net assets before defined benefit pension scheme liability			58,046		58,024
Defined benefit pension scheme liability	22		(10,780)		(8,771)
Total net assets			<u>47,266</u>		<u>49,253</u>
Funds of the Academy Trust:					
Restricted funds	20				
- Fixed asset funds			56,888		57,169
- Restricted income funds			830		531
- Pension reserve			(10,780)		(8,771)
Total restricted funds			<u>46,938</u>		<u>48,929</u>
Unrestricted income funds	20		<u>328</u>		<u>324</u>
Total funds			<u>47,266</u>		<u>49,253</u>

The Financial Statements on pages 24 to 52 were approved by the Trustees and authorised for issue on 10th December 2021 and are signed on their behalf by:



S Brown

Chair of Trustees

Company Number 07635098

THE WILLOW LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	23		2,070		(1,354)
Cash flows from investing activities					
Dividends, interest and rents from investments		1		8	
Capital grants from DfE Group		379		52	
Capital funding received from sponsors and others		25		1,500	
Purchase of tangible fixed assets		(1,898)		(209)	
Net cash (used in)/provided by investing activities			(1,493)		1,351
Cash flows from financing activities					
Repayment of long term loan		(10)		(10)	
Net cash used in financing activities			(10)		(10)
Net increase/(decrease) in cash and cash equivalents in the reporting period			567		(13)
Cash and cash equivalents at beginning of the year			1,963		1,976
Cash and cash equivalents at end of the year			<u>2,530</u>		<u>1,963</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the period 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 the receipt is probable and the amount can be reliably measured.

Other income

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

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Intangible fixed assets and amortisation

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software - 5 years

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Freehold land and buildings	2% (Straight Line)
Leasehold land and buildings	2% (Straight Line)
Plant and machinery	10% (Straight Line)
Computer equipment	33.33% (Straight Line)
Motor vehicles	20% (Straight Line)

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

1.7 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.

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.11 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.12 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets and the liabilities are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are 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 or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 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.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

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

1.14 Agency arrangements

Where the Academy Trust acts as agent in collecting and / or distributing funds from the ESFA or others, subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 29.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Total 2020 £'000
Capital grants	-	379	379	52
LA capital grants	-	25	25	1,500
	<u>-</u>	<u>404</u>	<u>404</u>	<u>1,552</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Total 2020 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	12,591	12,591	12,242
Other DfE / ESFA grants:				
- UIFSM	-	111	111	118
- Pupil premium	-	490	490	474
- Others	-	917	917	743
	<u>-</u>	<u>14,109</u>	<u>14,109</u>	<u>13,577</u>
Other government grants				
Local authority grants	-	1,018	1,018	743
	<u>-</u>	<u>1,018</u>	<u>1,018</u>	<u>743</u>
COVID-19 additional funding (DfE / ESFA)				
Catch-up premium	-	182	182	-
Other DfE / ESFA COVID-19 funding	-	12	12	5
	<u>-</u>	<u>194</u>	<u>194</u>	<u>5</u>
COVID-19 additional funding (non-DfE / ESFA)				
Coronavirus job retention scheme grant	-	32	32	27
Other COVID-19 funding	-	56	56	-
	<u>-</u>	<u>88</u>	<u>88</u>	<u>27</u>
	<u>-</u>	<u>282</u>	<u>282</u>	<u>32</u>
Other funding				
Catering income	165	-	165	282
Trips income	-	37	37	193
Other incoming resources	-	279	279	393
	<u>165</u>	<u>316</u>	<u>481</u>	<u>868</u>
Total funding	<u>165</u>	<u>15,725</u>	<u>15,890</u>	<u>15,220</u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the Academy Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus exceptional support covers £198k of staffing, learning resources and cleaning costs. These costs are included in notes 7 and 9 below as appropriate.
- The Academy Trust furloughed some of its catering staff under the government's Coronavirus job retention scheme. The funding received of £32k relates to staff costs in respect of catering staff, which are included within note 10 below as appropriate.

All resources expended are inclusive of irrecoverable VAT.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Total 2020 £'000
Lettings	30	-	30	33
Income from facilities and services	-	1	1	1
Other income	-	(33)	(33)	79
	<u>30</u>	<u>(32)</u>	<u>(2)</u>	<u>113</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	<u>1</u>	<u>-</u>	<u>1</u>	<u>8</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Restated Total 2020 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	4	-	1	5	5
Academy's educational operations					
- Direct costs	11,214	727	780	12,721	12,464
- Allocated support costs	2,303	1,221	962	4,486	4,388
Teaching School					
- Allocated support costs	<u>34</u>	<u>-</u>	<u>-</u>	<u>34</u>	<u>33</u>
	<u>13,555</u>	<u>1,948</u>	<u>1,743</u>	<u>17,246</u>	<u>16,890</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure

Net income/(expenditure) for the year includes:	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	14	10
- Other services	22	33
Operating lease rentals	11	11
Depreciation of tangible fixed assets	905	913
Amortisation of intangible fixed assets	4	4
Net interest on defined benefit pension liability	135	123

Included within expenditure are the following transactions:

	2021 £
- Items over £5,000: Supply teacher insurance prior year claim rejected	37,078

Clarification - While the majority of disclosures in these accounts are rounded to £'000, the disclosure of bad debts is not. The value of bad debts for the year was £37,078 (and not £37,078k).

8 Central services

The Academy Trust has provided the following central services to its academies during the year:

- human resources;
- financial services;
- legal services;
- educational support services
- insurance

The Academy Trust charges for these services on the following basis:

- flat percentage of income (5% of GAG)

The amounts charged during the year were as follows:	2021 £'000	2020 £'000
Abbey Primary School	96	98
Glenthorne High School	422	399
Aragon Primary School	121	91
	<u>639</u>	<u>588</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Total 2020 £'000
Direct costs				
Educational operations	-	12,721	12,721	12,464
Support costs				
Educational operations	192	4,294	4,486	4,388
Teaching School	-	34	34	33
	<u>192</u>	<u>17,049</u>	<u>17,241</u>	<u>16,885</u>

	Teaching School £'000	Educational operations £'000	Total 2021 £'000	Restated Total 2020 £'000
Analysis of costs				
Direct costs				
Teaching and educational support staff costs	-	11,214	11,214	10,895
Staff development	-	15	15	24
Depreciation and amortisation	-	727	727	733
Technology costs	-	162	162	97
Educational supplies and services	-	145	145	96
Examination fees	-	136	136	124
Educational consultancy	-	174	174	192
Other direct costs	-	148	148	303
	<u>-</u>	<u>12,721</u>	<u>12,721</u>	<u>12,464</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

Support costs

Support staff costs	34	1,516	1,550	1,737
Defined benefit pension scheme - staff costs (FRS102 adjustment)	-	787	787	589
Depreciation and amortisation	-	182	182	184
Technology costs	-	116	116	112
Maintenance of premises and equipment	-	335	335	319
Cleaning	-	317	317	301
Energy costs	-	183	183	191
Rent, rates and other occupancy costs	-	144	144	131
Insurance	-	50	50	52
Security and transport	-	16	16	12
Catering	-	364	364	360
Defined benefit pension scheme - finance costs (FRS102 adjustment)	-	135	135	123
Legal costs	-	11	11	-
Other support costs	-	294	294	266
Governance costs	-	36	36	44
	<u>34</u>	<u>4,486</u>	<u>4,520</u>	<u>4,421</u>

10 Staff

Staff costs

Staff costs during the year were:

	2021	2020
	£'000	£'000
Wages and salaries	9,566	9,506
Social security costs	943	867
Pension costs	2,178	2,221
Defined benefit pension scheme - staff costs (FRS102 adjustment)	787	589
Staff costs - employees	<u>13,474</u>	<u>13,183</u>
Agency staff costs	61	42
Staff restructuring costs	20	1
	<u>13,555</u>	<u>13,226</u>

Staff restructuring costs comprise:

Severance payments	<u>20</u>	<u>1</u>
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £5,000 (2020: £nil). Individually the payment is £5,000.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff numbers

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

	2021	2020
	Number	Number
Teachers	151	149
Administration and support	143	151
Management	15	15
	<u>309</u>	<u>315</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2021	2020
	Number	Number
Teachers	139	135
Administration and support	99	108
Management	14	14
	<u>252</u>	<u>257</u>

Higher paid staff

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

	2021	2020
	Number	Number
£60,000 - £70,000	7	9
£70,001 - £80,000	3	1
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£140,001 - £150,000	1	1
	<u>14</u>	<u>13</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 key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £685,071 (2020: £726,761).

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

S Hume (Headteacher):

- Remuneration £145,000 - £150,000 (2020: £145,000 - £150,000)
- Employer's pension contributions £35,000 - £40,000 (2020: £35,000 - £40,000)

During the year, expenses totalling £78 (2020: £32) were reimbursed to 1 Trustee (2020: 1 Trustee).

Other related party transactions involving the Trustees are set out within the related parties note.

12 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

13 Intangible fixed assets

	Computer software £'000
Cost	
At 1 September 2020 and at 31 August 2021	20
	<hr/>
Amortisation	
At 1 September 2020	12
Charge for year	4
	<hr/>
At 31 August 2021	16
	<hr/>
Carrying amount	
At 31 August 2021	4
	<hr/>
At 31 August 2020	8
	<hr/>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Plant and machinery £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 September 2020	29,618	29,801	706	234	25	60,384
Additions	1,579	274	45	-	-	1,898
At 31 August 2021	31,197	30,075	751	234	25	62,282
Depreciation						
At 1 September 2020	3,242	921	243	221	25	4,652
Charge for the year	467	355	71	12	-	905
At 31 August 2021	3,709	1,276	314	233	25	5,557
Net book value						
At 31 August 2021	27,488	28,799	437	1	-	56,725
At 31 August 2020	26,376	28,880	463	13	-	55,732

Freehold land and buildings relate to Glenthorne High School, and the leasehold land and buildings relate to Aragon Primary School and Abbey Primary School. Freehold land is included above at a net book value of £6,320k and leasehold land is included above at a net book value of £16,494k.

15 Stocks

	2021 £'000	2020 £'000
Catering stock	-	4
Other stock	9	14
	9	18

16 Debtors

	2021 £'000	2020 £'000
Trade debtors	3	16
VAT recoverable	172	114
Other debtors	19	32
Prepayments and accrued income	793	1,715
	987	1,877

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Government loans	10	10
Trade creditors	323	192
Other taxation and social security	248	227
Other creditors	288	296
Accruals and deferred income	1,335	834
	<u>2,204</u>	<u>1,559</u>

18 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Government loans	5	15
	<u>5</u>	<u>15</u>

Analysis of loans	2021 £'000	2020 £'000
Wholly repayable within five years	15	25
Less: included in current liabilities	(10)	(10)
	<u>5</u>	<u>15</u>

Loan maturity

Debt due in one year or less	10	10
Due in more than one year but not more than two years	5	10
Due in more than two years but not more than five years	-	5
	<u>15</u>	<u>25</u>

During the year ended 31 August 2016 the Academy Trust entered into an interest free loan with 'Salix Finance', repayable in equal half yearly instalments over an 8 year period.

During the year ended 31 August 2017 the Academy Trust inherited a further interest free loan with 'Salix Finance', repayable in equal half yearly instalments over a 5 year period.

19 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	701	523
	<u>701</u>	<u>523</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Deferred income

Deferred income at 1 September 2020	523	631
Released from previous years	(523)	(631)
Resources deferred in the year	701	523
	<hr/>	<hr/>
Deferred income at 31 August 2021	701	523
	<hr/>	<hr/>

Deferred income at 31 August 2021 comprised lettings income invoiced in advance £23k (2020: £47k), catering income received in advance £16k (2020: £nil), UIFSM funding received in advance £65k (2020: £69k) and funds of £597k (2020: £407k) held on behalf of the ESFA and DfE in an agency capacity as explained more fully in note 29.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	379	12,591	(12,066)	(224)	680
UIFSM	-	111	(111)	-	-
Pupil premium	-	490	(490)	-	-
Other DfE / ESFA grants	-	917	(895)	-	22
Catch-up premium	-	182	(130)	-	52
Other DfE / ESFA COVID-19 income	-	12	(12)	-	-
Other government grants	-	1,018	(1,018)	-	-
Coronavirus job retention scheme grant	-	32	(32)	-	-
Other COVID-19 funding	-	56	(56)	-	-
Teaching School	15	53	(34)	-	34
Other restricted funds	137	284	(379)	-	42
Pension reserve	(8,771)	-	(922)	(1,087)	(10,780)
	<u>(8,240)</u>	<u>15,746</u>	<u>(16,145)</u>	<u>(1,311)</u>	<u>(9,950)</u>
Restricted fixed asset funds					
Inherited on conversion	48,537	-	(676)	-	47,861
DfE group capital grants	6,826	379	(153)	(1,497)	5,555
Capital expenditure from GAG and other funds	1,806	-	(77)	224	1,953
LA capital	-	25	(3)	1,497	1,519
	<u>57,169</u>	<u>404</u>	<u>(909)</u>	<u>224</u>	<u>56,888</u>
Total restricted funds	<u>48,929</u>	<u>16,150</u>	<u>(17,054)</u>	<u>(1,087)</u>	<u>46,938</u>
Unrestricted funds					
General funds	324	196	(192)	-	328
Total funds	<u>49,253</u>	<u>16,346</u>	<u>(17,246)</u>	<u>(1,087)</u>	<u>47,266</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

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

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents investment in fixed assets, net of related depreciation. Unspent capital grants are also held in this fund, net of any related loans and their use is restricted to the capital projects for which the grant was paid.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	203	12,242	(12,035)	(31)	379
Pupil premium	-	474	(474)	-	-
Other DfE / ESFA grants	4	861	(865)	-	-
Other government grants	-	775	(775)	-	-
Teaching School	21	27	(33)	-	15
Other restricted funds	234	948	(1,045)	-	137
Pension reserve	(6,831)	-	(712)	(1,228)	(8,771)
	<u>(6,369)</u>	<u>15,327</u>	<u>(15,939)</u>	<u>(1,259)</u>	<u>(8,240)</u>
Restricted fixed asset funds					
Transfer on conversion	49,202	-	(680)	15	48,537
DfE group capital grants	5,460	1,552	(156)	(30)	6,826
Capital expenditure from GAG and other funds	1,841	-	(81)	46	1,806
	<u>56,503</u>	<u>1,552</u>	<u>(917)</u>	<u>31</u>	<u>57,169</u>
Total restricted funds	<u>50,134</u>	<u>16,879</u>	<u>(16,856)</u>	<u>(1,228)</u>	<u>48,929</u>
Unrestricted funds					
General funds	317	41	(34)	-	324
Total funds	<u>50,451</u>	<u>16,920</u>	<u>(16,890)</u>	<u>(1,228)</u>	<u>49,253</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

Total funds analysis by academy

	2021	2020
	£'000	£'000
Fund balances at 31 August 2021 were allocated as follows:		
Abbey Primary School	194	86
Glenthorne High School	456	379
Aragon Primary School	454	358
Central services	54	32
	<u>1,158</u>	<u>855</u>
Restricted fixed asset fund	56,888	57,169
Pension reserve	(10,780)	(8,771)
	<u>47,266</u>	<u>49,253</u>

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
Abbey Primary School	1,629	247	19	413	2,308	2,332
Glenthorne High School	7,116	1,409	107	1,550	10,182	9,844
Aragon Primary School	2,295	409	19	501	3,224	3,230
Central services	174	276	-	173	623	569
	<u>11,214</u>	<u>2,341</u>	<u>145</u>	<u>2,637</u>	<u>16,337</u>	<u>15,975</u>

21 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Intangible fixed assets	-	-	4	4
Tangible fixed assets	-	-	56,725	56,725
Current assets	327	3,040	159	3,526
Creditors falling due within one year	1	(2,205)	-	(2,204)
Creditors falling due after one year	-	(5)	-	(5)
Defined benefit pension liability	-	(10,780)	-	(10,780)
	<u>328</u>	<u>(9,950)</u>	<u>56,888</u>	<u>47,266</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Intangible fixed assets	-	-	8	8
Tangible fixed assets	-	-	55,732	55,732
Current assets	324	2,080	1,454	3,858
Creditors falling due within one year	-	(1,549)	(10)	(1,559)
Creditors falling due after one year	-	-	(15)	(15)
Defined benefit pension liability	-	(8,771)	-	(8,771)
Total net assets	324	(8,240)	57,169	49,253

22 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 London Borough of Sutton and London Borough of Merton. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £241k (2020: £247k) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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 WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration 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 2023.

The employer's pension costs paid to the TPS in the period amounted to £1,602k (2020: £1,549k).

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 contributions are as noted below. The agreed contribution rates for future years are 20.3% to 22% for employers and 5.5% to 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 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.

Total contributions made	2021	2020
	£'000	£'000
Employer's contributions	577	672
Employees' contributions	162	175
	<hr/>	<hr/>
Total contributions	739	847
	<hr/>	<hr/>

Principal actuarial assumptions	2021	2020
	%	%
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment/inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60
CPI increases	2.90	2.25
RPI increases	3.20	3.05
	<hr/>	<hr/>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations

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

	2021	2020
	Years	Years
Retiring today		
- Males	21.10 to 21.60	21.50 to 21.80
- Females	23.90 to 24.30	24.10 to 24.40
Retiring in 20 years		
- Males	22.40 to 22.90	22.80 to 23.20
- Females	25.30 to 25.70	25.50 to 25.90

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021	2020
	£'000	£'000
Discount rate + 0.1%	20,183	16,444
Discount rate - 0.1%	21,235	17,301
Mortality assumption + 1 year	21,593	17,523
Mortality assumption - 1 year	19,848	16,237
Salary rate + 0.1%	20,761	16,918
Salary rate - 0.1%	20,643	16,816
Pensions rate + 0.1%	21,168	17,247
Pensions rate - 0.1%	20,247	16,497

Defined benefit pension scheme net liability

	2021	2020
	£'000	£'000
Scheme assets	9,922	8,096
Scheme obligations	(20,702)	(16,867)
Net liability	(10,780)	(8,771)

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

	2021	2020
	Fair value	Fair value
	£'000	£'000
Equities	6,430	4,684
Other bonds	598	547
Gilts	1,372	1,368
Cash	240	200
Property	846	856
Other assets	436	441
Total market value of assets	9,922	8,096

The actual return on scheme assets was £1,326,000 (2020: £643,000).

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations

Amount recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	1,358	1,254
Interest income	(134)	(138)
Interest cost	269	261
Administration expenses	6	7
Total operating charge	<u>1,499</u>	<u>1,384</u>

Changes in the present value of defined benefit obligations	2021 £'000
At 1 September 2020	16,867
Current service cost	1,358
Interest cost	269
Employee contributions	162
Actuarial loss	2,279
Benefits paid	(233)
At 31 August 2021	<u>20,702</u>

Changes in the fair value of the Academy Trust's share of scheme assets	2021 £'000
At 1 September 2020	8,096
Interest income	134
Actuarial gain	1,192
Employer contributions	577
Employee contributions	162
Benefits paid	(233)
Administration expenses	(6)
At 31 August 2021	<u>9,922</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021	2020
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(900)	30
Adjusted for:		
Capital grants from DfE and other capital income	(404)	(1,552)
Investment income receivable	(1)	(8)
Defined benefit pension costs less contributions payable	787	589
Defined benefit pension scheme finance cost	135	123
Depreciation of tangible fixed assets	905	913
Amortisation of intangible fixed assets	4	4
Decrease/(increase) in stocks	9	(12)
Decrease/(increase) in debtors	890	(1,484)
Increase in creditors	645	43
Net cash provided by/(used in) operating activities	2,070	(1,354)

24 Analysis of changes in net funds

	1 September	Cash flows	31 August
	2020		2021
	£'000	£'000	£'000
Cash	1,963	567	2,530
Loans falling due within one year	(10)	-	(10)
Loans falling due after more than one year	(15)	10	(5)
	<u>1,938</u>	<u>577</u>	<u>2,515</u>

25 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£'000	£'000
Amounts due within one year	11	11
Amounts due in two and five years	14	25
	<u>25</u>	<u>36</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the Financial Statements	109	1,463

Aragon Primary School entered into a project for Early Warning Fire Systems funded by CIF. The total cost of the project is £203k. Costs incurred to 31 August 2021 were £94k and anticipated future costs at 31 August 2021 were £109k.

27 Related party transactions

Owing to the nature of the Academy Trust's operations 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 Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

As part of our SCITT and Teaching School we have transactions with a number of local schools. Included within these is Cheam Academies Network to which payments of £1,800 (2020: £3,700) were made in the period. No balance remained outstanding at the year end. The Academy Trust is related by virtue of Trustee Nigel Griffiths being a Member of Cheam Academy Network.

C Stonell, a relative of G Stonell, a Trustee, is employed by the Academy Trust. C Stonell's appointment was made in open competition and G Stonell was not involved in the decision making process regarding appointment. C Stonell is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a Trustee.

L Davey, a relative of J Davey, a member of SLT, is employed by the Academy Trust. L Davey's appointment was made in open competition and J Davey was not involved in the decision making process regarding appointment. L Davey is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to an SLT member.

A Davey, a relative of J Davey, a member of SLT, is employed by the Academy Trust. A Davey's appointment was made in open competition and J Davey was not involved in the decision making process regarding appointment. A Davey is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to an SLT member.

W Goodall, a relative of J Goodall, the Director of Finance, is employed by the Academy Trust. W Goodall's appointment was made in open competition and J Goodall was not involved in the decision making process regarding appointment. W Goodall is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to the Director of Finance.

28 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

29 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021, £49,483 (2020: £33,309) was carried forward from last year which was added to the grant received this year of £22,166 (2020: £29,555), from which £24,580 was disbursed (2020: £13,381) from the fund. The unspent balance at 31 August 2021 was £47,069 (2020: £49,483) and is included within creditors: amounts falling due within one year.

The Academy Trust also distributes SCITT funds to member academies as an agent for the Department for Education (DfE). In the accounting period ending 31 August 2021, £406,523 (2020: 509,609) was carried forward from last year, the income was £2,878,035 (2020: £1,533,704) from which £2,687,199 (2020: £1,127,181) was disbursed from the fund. The unspent balance at 31 August 2021 was £597,359 (2020: £406,523) and is included within creditors: amounts falling due within one year.

30 Teaching School trading account

	2021		2020	
	£'000	£'000	£'000	£'000
Direct income				
Other external funding		53		27
Other costs				
Support staff costs	34		33	
Total operating costs		(34)		(33)
Surplus/(deficit) from teaching school		19		(6)
Teaching School balances at 1 September 2020		15		21
Teaching School balances at 31 August 2021		34		15

31 Prior year adjustment

Allocation of income and expenditure to appropriate headings was considered following the reclassifications in the Academies Accounts Direction 2020/2021 and the ESFA chart of accounts. The allocation of income and expenditure in the prior year has been amended in order for the two years to be comparable. There was no impact on the reported surplus for the year, reserves at year end or on any balance sheet items.