

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 2020**

THE WILLOW LEARNING TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 15
Statement on regularity, propriety and compliance	16
Statement of Trustees' responsibilities	17
Independent auditor's report on the accounts	18 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities	23 - 24
Balance sheet	25
Cash flow statement	26
Notes to the accounts	27 - 50

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* (Executive Headteacher and Accounting Officer)
G Stonell*
S Cook*
I Paget (associate Trustee)
S Waring (associate Trustee)
D Balogun
N Griffiths* (associate Trustee)
R Burrows (appointed 26/09/19)

* members of the Finance, Shared Services and Audit Committee

Members

T Knight (resigned 25/11/2019)
J Wright
R Frogley
D Cheesman
J Driels
S Stears (appointed 11/12/19)

Academies Operated

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

Trust Senior Leadership Team

- Executive Headteacher and
- Headteacher at Glenthorne High
- Headteacher at Aragon Primary
- Headteacher at Abbey Primary
- Deputy Headteacher at Glenthorne
- Deputy Headteacher at Aragon
- Deputy Headteacher at Abbey

S Hume
J Davey
L Tunstall
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

THE WILLOW LEARNING TRUST

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 2020

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 2020. The annual report serves the purposes 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 2019/20 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 2634 in the school census in January 2020.

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.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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 Executive Headteacher, supported by the senior leaders at Trust schools. The Executive Headteacher 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 Executive Headteacher 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 Executive Headteacher.

Trade Union Facility Time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£0
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
--	----

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, strategies and activities

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

- 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
- 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 ambitious, broad, balanced, coherently planned and sequenced.
- To ensure children with SEND are prepared for their next stage of education.
- To continue to raise pupil attendance and punctuality so that disruption is minimised.
- To implement the new SRE curriculum, developing children's age appropriate understanding of healthy relationships.
- To ensure children have access to a wide, rich set of experiences and extra-curricular activities.
- To continue to collaborate within the Trust to align the curriculum for the benefit of all pupils.
- To increase the proportion of boys achieving a good level of development.
- To maintain high standards of behaviour throughout the school at all times.

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

- To raise the profile of the foundation subjects, particularly in KS2.
- To continue to facilitate the smooth transition in foundation subjects between years 5 and 8.
- To continue to effectively manage the induction and training of new staff/NQTs/RQTs so that new roles and responsibilities are embedded ensuring the high standards of attainment and achievement for all pupils.
- To continue to develop assessment tracking and monitoring procedures in foundation subjects
- To ensure the gap between girls and boys reaching a good level of development narrows.
- To ensure assessment in EYFS is both accurate and consistent.
- To raise maintain and improve standards, particularly with boys, children with SEN and children with a low prior attainment.
- To increase pupils and parents' awareness of current social / local and national issues.
- To continue to strive for excellent attendance.

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

- To develop a distinct curriculum for Year 9, building on strengths in the Arts and ensuring STEM activities are developed across the school.
- To sequence numeracy and literacy across the curriculum to ensure pupils have the skills and knowledge they need each year.
- To establish schemes of work, ensuring the RSE curriculum is effectively delivered at all key stages.
- To continue collaboration across the Trust to ensure a smooth transition and progression.
- To improve oracy across the school.
- To incorporate more flipped learning and independent study to improve pupils as effective self managers.
- To develop tutor time activities to build resilience and develop self management strategies.
- To further promote wellbeing and increase provision for pupils with anxiety.
- To promote staff wellbeing and implement changes to the Marking Policy to reduce staff workload.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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 March, 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 June all three schools re-opened partially educating other year groups in schools, 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. 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 20th March, 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 2019/20, 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.

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

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 or moderated calculated grades. The results represented a further improvement on last year's results and, the best the school has achieved since the GCSE reforms. 90.5% of all grades were at 4+, with 36.4% at 7+, 22% at 8+ and 11.3% at 9. 86% of pupils gained both English and Maths at 4+ and 65% of students achieved both English and Maths at 5+. 48.8% of students achieved the E-Bacc at a standard pass, and 37.1% with a strong pass. The performance indicators A8 and P8 are currently estimated as 5.79 for A8 and +0.63 for P8.

Results at A level were excellent with 100% of grades at A*-E (10.5% at A*, 31.4% at A*/A, 63.7% at A*-B, and 94.1% at A*-C). Many of the centre assessed grades were downgraded in the exam board standardisation process before the government policy changed and CAGs took precedence if higher).

There were excellent results in Art, Dance, Maths and Further Maths, Music Technology, Government and Politics, Sociology and Spanish, although some of these with very small cohorts.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The National Association for Able Children in Education sent two inspectors to re-evaluate the school's provision for More Able pupils and assess whether the school is still meeting their high standards in this area. Following a rigorous assessment process against the very demanding Challenge Award framework, which included lesson observations across the school, interviews with pupils and teachers and a thorough evaluation of pupils' work, we were delighted that we have been officially reaccredited for the third time.

Prior to the closure of the school, pupils took part in a number of events and activities: World Book Day; Science week; Destinations Day; Impact; Gym Show; and the whole school production of We Will Rock You, amongst many others. The Year 9 Mock trial team competed in the local Young Citizens Magistrates' Mock Trial and won, advancing them to the regional final. The final was however cancelled due to the pandemic.

The school took part in the filming of a Channel 4 documentary; The School that Tried to End Racism, which was aired in June. The feedback from this project was overwhelmingly positive and the school are incorporating the activities into the PSHE curriculum for September.

SCITT achievements and performance

The SCITT trainees were halfway through phase 2 of their training when schools closed due to lockdown. Any trainees on trajectory to pass their programme and who remained engaged with the training programme were awarded their QTS. A new programme of study was written to ensure trainees remained engaged and were prepared for an NQT role in September. As a result, 91% of trainees completed the secondary programme achieving QTS and only one trainee withdrew after school closure. 86% of Primary trainees completed the programmes achieving QTS and the only trainee who withdrew, left the programme in January. In terms of completion, two trainees (one primary and one secondary) had to defer due to serious ill health and both will recommence the programme in September.

It was a very challenging year in terms of employment due to a number of trainees delaying job hunting until after school closure and ultimately not being able to secure employment. Consequently, only 84% of secondary trainees completing secured employment and 77% of primary. The central SCITT team are in regular contact with the trainees who haven't secured employment and are working with them to resolve this.

The SCITT faced additional challenges, developing a new programme of study in light of changes to the new ITT Core Content and changes to Ofsted.

Recruitment for 2020/21 has been very strong and the SCITT have added a new hub to the secondary programme in Art. The impact of Covid-19 has had a positive impact on recruitment to ITT, with 67 confirmed trainees in secondary and 18 trainees for primary.

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 2019/20 staff costs were 82% of revenue income (77.6% in 2018/19).
- Revenue budgets should avoid any 'in-year' deficit. The financial year 2019/20 resulted in an 'in-year' revenue surplus of £76k.

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.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Managing financials over the last year, specifically during the lockdown, was extremely challenging, as income and expenditure both varied significantly due to lost income particularly from lettings and catering and increased expenditure particularly for Covid-19 safety measures and materials. The additional government funds do not cover lost income, so there has been a financial impact on Trust schools. Whilst the financial outlook is still uncertain, all Trust schools currently have healthy rolls and with restructuring in specific areas all schools should be able to achieve balanced budgets. The key financial risk is additional staffing costs for cover and supply if there is significant absence over the next 6 months and the continuing cost of covid-19 safety supplies.

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 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	2020 £'000	2019 £'000
GAG	Restricted General Funds	379	203
Other DfE/ESFA Grants	Restricted General Funds	-	4
Other government grants	Restricted General Funds	-	-
Teaching School	Restricted General Funds	15	21
Other Income	Restricted General Funds	137	234
Sub-total General Restricted Funds		531	462
Unspent Capital Grants	Restricted Fixed Asset Fund	1,454	90
Salix Loans	Restricted Fixed Asset Fund	(25)	(35)
Other Income	Unrestricted General Fund	324	317
Sub-Total Spendable Funds		2,284	834
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	55,740	56,448
Share of LGPS Deficit	Restricted Pension Reserve	(8,771)	(6,831)
Total All Funds		<u>49,253</u>	<u>50,451</u>

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

During the year under review, there was an increase of £69k (2019: £37k) on general restricted funds, an increase of £7k (2019: £45k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease in funds of £(1,198)k (2019: increase of £5,009k).

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 agreed to aim for a reserve of 3% of the school's annual budget, taking into account the cost of one month's salary bill, the annual budget, any large development project, uncertainty or reductions in funding, and anticipated funding and expenditure in the school's 3 year budget.

The unpredictable variability of the school budget and lost income and increased expenditure means that schools in the Trust will not be able to achieve a reserve of 3%. All schools will aim for a balanced budget whilst the pandemic continues.

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.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined energy and carbon reporting (SECR)

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	614993
Scope 1 emissions in metric tonnes CO ₂ e	
Gas consumption	384.83
Owned transport – mini-buses	0.62
<u>Total scope 1</u>	385.45
Scope 2 emissions in metric tonnes CO ₂ e	
Purchased electricity	226.36
Scope 3 emissions in metric tonnes CO ₂ e	
Business travel in employee owned vehicles	0.32
Total gross emissions in metric tonnes CO ₂ e	612.14
<u>Intensity ratio</u>	
Tonnes CO ₂ e per pupil	0.24

Quantification and Reporting Methodology:-

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 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 they are being aligned.
- 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 and secure school improvement.
- 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 contingency plans in the event of increased lockdown restrictions. All schools have coped well, but the demands at both primary and secondary on staff are great and are reducing capacity and impacting on teaching and learning.

THE WILLOW LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Funds held as Custodian Trustee

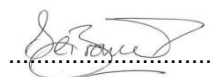
The Trust does not hold funds in the capacity of custodian trustee on behalf of any third parties.

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 14th December 2020 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 2020

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 Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Brown (Chair)	3	3
T Magill (Vice Chair)	2	3
M Holness	1	3
J Wright	3	3
S Hume	3	3
S Waring	3	3
I Paget	3	3
S Cook	3	3
G Stonell	2	3
N Griffiths	2	3
D Balogun	3	3
R Burrows	2	3

Governance Reviews

Social-distancing measures meant that physical meetings did not take place from March 2020. 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 2019/20 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)	2	3
S Hume	3	3
S Cook	3	5
N Griffiths	3	3

THE WILLOW LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

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 and Teaching School Alliance 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 2020 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 2020 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 2020

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.

Keith Fox of Keith Fox School Support 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;

- Purchases
- Income
- Accounting Systems
- Payroll Systems

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.

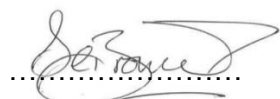
Review of effectiveness

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 14th December 2020 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 2020

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 2019.

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 2019.

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



S Hume
Accounting Officer

14/12/2020

THE WILLOW LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 2020 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 2019 to 2020;
- 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 14th December 2020 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 2020

Opinion

We have audited the Financial Statements of The Willow Learning Trust for the year ended 31 August 2020 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 2019 to 2020 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 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information, 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 2020

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.

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.

THE WILLOW LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

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: 22 January 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 2020

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 2019 to 2020, 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 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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 2019, issued by the ESFA.

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 2020

Conclusion

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



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 22 January 2021

THE WILLOW LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	-	-	1,552	1,552	647
Donations - transfer from local authority on conversion		-	-	-	-	6,991
Charitable activities:						
- Funding for educational operations	4	-	15,299	-	15,299	14,935
- Funding for teaching school	31	-	27	-	27	50
Other trading activities	5	33	1	-	34	46
Investments	6	8	-	-	8	2
Total		41	15,327	1,552	16,920	22,671
Expenditure on:						
Raising funds	7	5	-	-	5	13
Charitable activities:						
- Educational operations	9	29	15,906	917	16,852	16,388
- Teaching School	31	-	33	-	33	50
Total	7	34	15,939	917	16,890	16,451
Net income/(expenditure)		7	(612)	635	30	6,220
Transfers between funds	21	-	(31)	31	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	23	-	(1,228)	-	(1,228)	(1,211)
Net movement in funds		7	(1,871)	666	(1,198)	5,009
Reconciliation of funds						
Total funds brought forward		317	(6,369)	56,503	50,451	45,442
Total funds carried forward		324	(8,240)	57,169	49,253	50,451

THE WILLOW LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds	Restricted funds:		Total
		£'000	General £'000	Fixed asset £'000	2019 £'000
Income and endowments from:					
Donations and capital grants	3	-	-	647	647
Donations - transfer from local authority on conversion		41	(852)	7,802	6,991
Charitable activities:					
- Funding for educational operations	4	-	14,935	-	14,935
- Funding for teaching school	31	-	50	-	50
Other trading activities	5	46	-	-	46
Investments	6	2	-	-	2
Total		89	14,133	8,449	22,671
Expenditure on:					
Raising funds	7	-	13	-	13
Charitable activities:					
- Educational operations	9	44	15,459	885	16,388
- Teaching School	31	-	50	-	50
Total	7	44	15,522	885	16,451
Net income/(expenditure)		45	(1,389)	7,564	6,220
Transfers between funds	21	-	(130)	130	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	23	-	(1,211)	-	(1,211)
Net movement in funds		45	(2,730)	7,694	5,009
Reconciliation of funds					
Total funds brought forward		272	(3,639)	48,809	45,442
Total funds carried forward		317	(6,369)	56,503	50,451

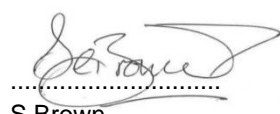
THE WILLOW LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	13		8		12
Tangible assets	14		55,732		56,436
			<u>55,740</u>		<u>56,448</u>
Current assets					
Stocks	15	18		6	
Debtors	16	1,877		393	
Cash at bank and in hand		1,963		1,976	
		<u>3,858</u>		<u>2,375</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(1,559)		(1,516)	
Net current assets			<u>2,299</u>		<u>859</u>
Total assets less current liabilities			58,039		57,307
Creditors: amounts falling due after more than one year	19		(15)		(25)
Net assets before defined benefit pension scheme liability			58,024		57,282
Defined benefit pension scheme liability	23		(8,771)		(6,831)
Total net assets			<u>49,253</u>		<u>50,451</u>
Funds of the Academy Trust:					
Restricted funds	21				
- Fixed asset funds			57,169		56,503
- Restricted income funds			531		462
- Pension reserve			(8,771)		(6,831)
Total restricted funds			<u>48,929</u>		<u>50,134</u>
Unrestricted income funds	21		<u>324</u>		<u>317</u>
Total funds			<u>49,253</u>		<u>50,451</u>

The Financial Statements on pages 23 to 50 were approved by the Trustees and authorised for issue on 14th December 2020 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 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	24		(1,354)		810
Cash funds transferred on conversion			-		41
			<u>(1,354)</u>		<u>851</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		8		2	
Capital grants from DfE Group		52		198	
Capital funding received from sponsors and others		1,500		449	
Purchase of tangible fixed assets		<u>(209)</u>		<u>(1,145)</u>	
Net cash provided by/(used in) investing activities			1,351		(496)
Cash flows from financing activities					
Repayment of long term loan		<u>(10)</u>		<u>(11)</u>	
Net cash used in financing activities			<u>(10)</u>		<u>(11)</u>
Net (decrease)/increase in cash and cash equivalents in the reporting period			(13)		344
Cash and cash equivalents at beginning of the year			<u>1,976</u>		<u>1,632</u>
Cash and cash equivalents at end of the year			<u><u>1,963</u></u>		<u><u>1,976</u></u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 2020 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.

Sponsorship income

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

Donations

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

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Other income

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

Donated goods, facilities and services

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

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 2020

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 payable under operating leases are charged against income on a straight-line basis over the period of the lease.

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 2020

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 are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 2020

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 30.

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 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

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 2020 £'000	Total 2019 £'000
Capital grants	-	1,552	1,552	647

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	12,242	12,242	12,012
Other DfE group grants	-	1,335	1,335	828
	-	13,577	13,577	12,840
Other government grants				
Local authority grants	-	743	743	812
Exceptional government funding				
Coronavirus Job Retention Scheme grant	-	27	27	-
Other Coronavirus funding	-	5	5	-
	-	775	775	812
Other funding				
Trip income		193	193	319
Catering income		282	282	457
Other incoming resources	-	472	472	507
	-	947	947	1,283
Total funding	-	15,299	15,299	14,935

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 "exceptional government funding". The funding received for coronavirus exceptional support covers costs of free school meal vouchers, additional cleaning costs and additional staff costs incurred in response to the virus.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Lettings	33	-	33	46
Other income	-	1	1	-
	33	1	34	46

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	8	-	8	2

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Expenditure on raising funds					
- Direct costs	5	-	-	5	13
Academy's educational operations					
- Direct costs	10,895	733	737	12,365	11,724
- Allocated support costs	2,293	1,175	1,019	4,487	4,664
Teaching School					
- Direct costs	-	-	-	-	17
- Allocated support costs	33	-	-	33	33
	<u>13,226</u>	<u>1,908</u>	<u>1,756</u>	<u>16,890</u>	<u>16,451</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	10	10
- Other services	33	31
Operating lease rentals	11	7
Depreciation of tangible fixed assets	913	881
Amortisation of intangible fixed assets	4	4
Net interest on defined benefit pension liability	123	121

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 WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Central services

The amounts charged during the year were as follows:

	2020	2019
	£'000	£'000
Abbey Primary School	98	95
Glenthorne High School	399	400
Aragon Primary School	91	123
	<u>588</u>	<u>618</u>

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Educational operations	-	12,365	12,365	11,724
Teaching School	-	-	-	17
Support costs				
Educational operations	29	4,458	4,487	4,664
Teaching School	-	33	33	33
	<u>29</u>	<u>16,856</u>	<u>16,885</u>	<u>16,438</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

Analysis of costs	Teaching school £'000	Educational operations £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Teaching and educational support staff costs	-	10,895	10,895	9,998
Staff development	-	24	24	46
Depreciation and amortisation	-	733	733	705
Technology costs	-	98	98	68
Educational supplies and services	-	299	299	578
Examination fees	-	124	124	161
Educational consultancy	-	192	192	180
Other direct costs	-	-	-	5
	<u>-</u>	<u>12,365</u>	<u>12,365</u>	<u>11,741</u>
Support costs				
Support staff costs	33	1,704	1,737	1,841
Defined benefit pension scheme - staff costs (FRS102 adjustment)	-	589	589	583
Depreciation and amortisation	-	184	184	180
Technology costs	-	111	111	33
Maintenance of premises and equipment	-	308	308	222
Cleaning	-	336	336	304
Energy costs	-	191	191	217
Rent, rates and other occupancy costs	-	104	104	152
Insurance	-	52	52	101
Security and transport	-	9	9	7
Catering	-	360	360	457
Defined benefit pension scheme - finance costs (FRS102 adjustment)	-	123	123	121
Other support costs	-	372	372	398
Governance costs	-	44	44	81
	<u>33</u>	<u>4,487</u>	<u>4,520</u>	<u>4,697</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020 £'000	2019 £'000
Wages and salaries	9,506	9,145
Social security costs	867	823
Pension costs	2,221	1,704
Defined benefit pension scheme - staff costs (FRS102 adjustment)	589	583
	<hr/>	<hr/>
Staff costs - employees	13,183	12,255
Agency staff costs	42	173
Staff restructuring costs	1	2
	<hr/>	<hr/>
	13,226	12,430
	<hr/>	<hr/>

Staff restructuring costs comprise:

Severance payments	1	2
	<hr/>	<hr/>

Staff numbers

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

	2020 Number	2019 Number
Teachers	149	149
Administration and support	151	143
Management	15	15
	<hr/>	<hr/>
	315	307
	<hr/>	<hr/>

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

	2020 Number	2019 Number
Teachers	135	135
Administration and support	108	130
Management	14	15
	<hr/>	<hr/>
	257	280
	<hr/>	<hr/>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Higher paid staff

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

	2020 Number	2019 Number
£60,000 - £70,000	9	5
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£140,001 - £150,000	1	1
	<hr/>	<hr/>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £726,761 (2019: £667,106).

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 (2019: £140,000 - £145,000)
- Employer's pension contributions £35,000 - £40,000 (2019: £20,000 - £25,000)

During the year, expenses totalling £32 (2019: £19) were reimbursed to 1 Trustee (2019: 1 Trustee).

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

12 Insurance for Trustees and officers

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.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Intangible fixed assets

	Computer software £'000
Cost	
At 1 September 2019 and at 31 August 2020	20
Amortisation	
At 1 September 2019	8
Charge for year	4
At 31 August 2020	12
Carrying amount	
At 31 August 2020	8
At 31 August 2019	12

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 2019	29,457	29,801	658	234	25	60,175
Additions	161	-	48	-	-	209
At 31 August 2020	29,618	29,801	706	234	25	60,384
Depreciation						
At 1 September 2019	2,775	566	172	201	25	3,739
Charge for the year	467	355	71	20	-	913
At 31 August 2020	3,242	921	243	221	25	4,652
Net book value						
At 31 August 2020	26,376	28,880	463	13	-	55,732
At 31 August 2019	26,682	29,235	486	33	-	56,436

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.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Stocks

	2020 £'000	2019 £'000
Catering stock	4	-
Other stock	14	-
Uniform stock for resale	-	6
	<u>18</u>	<u>6</u>

16 Debtors

	2020 £'000	2019 £'000
Trade debtors	16	31
VAT recoverable	114	81
Other debtors	32	1
Prepayments and accrued income	1,715	280
	<u>1,877</u>	<u>393</u>

17 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Salix loans	10	10
Trade creditors	192	214
Other taxation and social security	227	228
Other creditors	247	221
Accruals and deferred income	883	843
	<u>1,559</u>	<u>1,516</u>

18 Deferred income

	2020 £'000	2019 £'000
Deferred income is included within:		
Creditors due within one year	<u>572</u>	<u>631</u>
Deferred income at 1 September 2019	631	437
Released from previous years	(631)	(437)
Resources deferred in the year	<u>572</u>	<u>631</u>
Deferred income at 31 August 2020	<u>572</u>	<u>631</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Deferred income

Deferred income at 31 August 2020 comprised lettings income invoiced in advance £47k (2019: £nil), trip income received in advance £nil (2019: £27k), UIFSM funding received in advance £69k (2019: £61k) and funds of £456k (2019: £543k) held on behalf of the ESFA and DfE in an agency capacity as explained more fully in note 30.

19 Creditors: amounts falling due after more than one year

	2020 £'000	2019 £'000
Salix loans	15	25
	<u>15</u>	<u>25</u>
Analysis of loans	2020 £'000	2019 £'000
Wholly repayable within five years	25	35
Less: included in current liabilities	(10)	(10)
	<u>15</u>	<u>25</u>
Amounts included above	15	25
	<u>15</u>	<u>25</u>
Loan maturity		
Debt due in one year or less	10	10
Due in more than one year but not more than two years	10	10
Due in more than two years but not more than five years	5	15
	<u>25</u>	<u>35</u>
	25	35

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.

20 Financial instruments

	2020 £'000	2019 £'000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	3,633	2,174
	<u>3,633</u>	<u>2,174</u>
Carrying amount of financial liabilities		
Measured at amortised cost	(775)	(682)
	<u>(775)</u>	<u>(682)</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Funds

	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
Other DfE / ESFA grants	4	861	(865)	-	-
Pupil premium	-	474	(474)	-	-
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	<u>317</u>	<u>41</u>	<u>(34)</u>	<u>-</u>	<u>324</u>
Total funds	<u>50,451</u>	<u>16,920</u>	<u>(16,890)</u>	<u>(1,228)</u>	<u>49,253</u>

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 2020.

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.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Funds

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	218	12,012	(11,897)	(130)	203
Other DfE / ESFA grants	12	331	(339)	-	4
Pupil premium	1	497	(498)	-	-
Other government grants	2	812	(814)	-	-
Teaching School	21	50	(50)	-	21
Other restricted funds	171	1,283	(1,220)	-	234
Pension reserve	(4,064)	(852)	(704)	(1,211)	(6,831)
	<u>(3,639)</u>	<u>14,133</u>	<u>(15,522)</u>	<u>(1,341)</u>	<u>(6,369)</u>
Restricted fixed asset funds					
Transfer on conversion	42,079	7,802	(679)	-	49,202
DfE group capital grants	5,405	198	(143)	-	5,460
Capital expenditure from GAG and other funds	1,325	449	(63)	130	1,841
	<u>48,809</u>	<u>8,449</u>	<u>(885)</u>	<u>130</u>	<u>56,503</u>
Total restricted funds	<u>45,170</u>	<u>22,582</u>	<u>(16,407)</u>	<u>(1,211)</u>	<u>50,134</u>
Unrestricted funds					
General funds	<u>272</u>	<u>89</u>	<u>(44)</u>	<u>-</u>	<u>317</u>
Total funds	<u>45,442</u>	<u>22,671</u>	<u>(16,451)</u>	<u>(1,211)</u>	<u>50,451</u>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Funds

Total funds analysis by academy

	2020 £'000	2019 £'000
Fund balances at 31 August 2020 were allocated as follows:		
Abbey Primary School	86	18
Glenthorne High School	379	395
Aragon Primary School	358	356
Central services	32	10
Total before fixed assets fund and pension reserve	855	779
Restricted fixed asset fund	57,169	56,503
Pension reserve	(8,771)	(6,831)
Total funds	49,253	50,451

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 2020 £'000	Total 2019 £'000
Abbey Primary School	1,654	304	13	361	2,332	2,384
Glenthorne High School	6,873	1,302	204	1,465	9,844	9,777
Aragon Primary School	2,215	449	80	486	3,230	2,790
Central services	153	276	-	140	569	615
	10,895	2,331	297	2,452	15,975	15,566

22 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

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

22 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Intangible fixed assets	-	-	12	12
Tangible fixed assets	-	-	56,436	56,436
Current assets	317	1,965	93	2,375
Creditors falling due within one year	-	(1,503)	(13)	(1,516)
Creditors falling due after one year	-	-	(25)	(25)
Defined benefit pension liability	-	(6,831)	-	(6,831)
Total net assets	317	(6,369)	56,503	50,451

23 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 pension costs are assessed in accordance with the advice of independent qualified actuaries. 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 2016.

Contributions amounting to £247k (2019: £221k) were payable to the schemes at 31 August 2020 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 2020

23 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 £1,549k (2019: £1,036k).

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	2020	2019
	£'000	£'000
Employer's contributions	672	633
Employees' contributions	175	166
	<hr/>	<hr/>
Total contributions	847	799
	<hr/>	<hr/>
Principal actuarial assumptions	2020	2019
	%	%
Rate of increase in salaries	3.25	3.70 to 3.75
Rate of increase for pensions in payment/inflation	2.25	2.20 to 2.25
Discount rate for scheme liabilities	1.60	1.85 to 1.90
RPI increases	2.25	2.20 to 2.25
CPI increases	3.05	3.15 to 3.20
	<hr/>	<hr/>

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 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:

	2020 Years	2019 Years
Retiring today		
- Males	21.50 to 21.80	23.40
- Females	24.10 to 24.40	24.80
Retiring in 20 years		
- Males	22.80 to 23.20	25.10
- Females	25.50 to 25.90	26.60 to 26.70

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

	2020 £'000	2019 £'000
Discount rate + 0.1%	16,444	13,577
Discount rate - 0.1%	17,301	14,287
Mortality assumption + 1 year	17,523	14,450
Mortality assumption - 1 year	16,237	13,424
Salary rate + 0.1%	16,918	13,966
Salary rate - 0.1%	16,816	13,889
Pensions rate + 0.1%	17,247	14,246
Pensions rate - 0.1%	16,497	13,616

Defined benefit pension scheme net liability

Scheme assets	8,096	7,096
Scheme obligations	(16,867)	(13,927)
Net liability	(8,771)	(6,831)

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

	2020 Fair value £'000	2019 Fair value £'000
Equities	4,684	4,293
Other bonds	547	483
Gilts	1,368	1,291
Cash	200	22
Property	856	741
Other assets	441	266
Total market value of assets	8,096	7,096

The actual return on scheme assets was £643,000 (2019: £423,000).

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	1,254	1,068
Past service cost	-	148
Interest income	(138)	(169)
Interest cost	261	290
Administration expenses	7	-
Total operating charge	1,384	1,337

Changes in the present value of defined benefit obligations	2020 £'000
At 1 September 2019	13,927
Current service cost	1,254
Interest cost	261
Employee contributions	175
Actuarial loss	1,435
Benefits paid	(185)
At 31 August 2020	16,867

Changes in the fair value of the Academy Trust's share of scheme assets	2020 £'000
At 1 September 2019	7,096
Interest income	138
Actuarial gain	207
Employer contributions	672
Employee contributions	175
Benefits paid	(185)
Administration expenses	(7)
At 31 August 2020	8,096

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Reconciliation of net income to net cash flow from operating activities

	2020 £'000	2019 £'000
Net income for the reporting period (as per the statement of financial activities)	30	6,220
Adjusted for:		
Net surplus on conversion to academy	-	(6,991)
Capital grants from DfE and other capital income	(1,552)	(647)
Investment income receivable	(8)	(2)
Defined benefit pension costs less contributions payable	589	583
Defined benefit pension scheme finance cost	123	121
Depreciation of tangible fixed assets	913	881
Amortisation of intangible fixed assets	4	4
(Increase) in stocks	(12)	-
(Increase)/decrease in debtors	(1,484)	222
Increase in creditors	43	419
Net cash (used in)/provided by operating activities	(1,354)	810

25 Analysis of changes in net funds

	1 September 2019 £'000	Cash flows £'000	31 August 2020 £'000
Cash	1,976	(13)	1,963
Loans falling due within one year	(10)	-	(10)
Loans falling due after more than one year	(25)	10	(15)
	<u>1,941</u>	<u>(3)</u>	<u>1,938</u>

26 Capital commitments

	2020 £'000	2019 £'000
Expenditure contracted for but not provided in the Financial Statements	1,463	-

Glenthorne High School entered into a project for Bulge Class works funded by LA capital grant and contribution from reserves. The total cost of the project was £1,600k. Costs incurred to 31 August 2020 were £137k and anticipated future costs at 31 August 2020 were £1,463k.

THE WILLOW LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Commitments under operating leases

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

	2020 £'000	2019 £'000
Amounts due within one year	11	11
Amounts due in two and five years	25	36
	<u>36</u>	<u>47</u>

28 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, Teaching School and Sport England activities we have transactions with a number of local schools. Included within these is Cheam Academies Network to which payments of £3,700 (2019: £3,200) were made and income of £nil (2019: £100) was received in the period. A balance of £nil (2019: £800) remained and is included in creditors as at 31 August 2020. 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.

29 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 2020

30 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 2020, £33,309 (2019: £20,803) was carried forward from last year which was added to the grant received this year of £29,555 (2019: £28,517), from which £13,381 was disbursed (2019: £16,011) from the fund. The unspent balance at 31 August 2020 was £49,483 (2019: £33,309) 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 2020 income was £1,533,704 (2019: £1,508,948) from which £1,127,181 (2019: £1,332,261) was disbursed from the fund. The unspent balance at 31 August 2020 was £406,523 (2019: £509,609) and is included within creditors: amounts falling due within one year.

The Academy Trust also distributes sports funds to member academies as an agent for Sport England. In the accounting period ending 31 August 2020 there were amounts received in the year of £nil (2019: £21,440) from which £nil (2019: £21,440) was disbursed from the fund. The unspent balance at 31 August 2020 was £nil (2019: £nil).

31 Teaching School trading account

	2020		2019	
	£'000	£'000	£'000	£'000
Direct income				
Teaching school core grant		27		50
Direct costs				
Educational supplies and services	-		16	
Educational consultancy	-		1	
	<u>-</u>		<u>17</u>	
Other costs				
Support staff costs	33		32	
Other support costs	-		1	
	<u>33</u>		<u>33</u>	
Total operating costs		(33)		(50)
Deficit from teaching school		(6)		-
Teaching School balances at 1 September 2019		21		21
Teaching School balances at 31 August 2020		<u>15</u>		<u>21</u>