

Company Registration Number: 07740758 (England & Wales)

WOOTTON ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

WOOTTON ACADEMY TRUST
(A company limited by guarantee)

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WOOTTON ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2019

(F) Denotes a member of the Finance Committee

Accounting Officer: Mr. M. Gleeson

Clerk to the directors: Mrs. L. McKenna

Company registered number

07740758

Company name

Wootton Academy Trust

Principal and registered office

Wootton Academy Trust
Hall End Road
Wootton
Bedfordshire
MK43 9HT

Executive leadership team

Mr. M. Gleeson, Executive Principal
Mrs. M. McMorn, Vice Principal
Mr. S. Frazer, Vice Principal
Mr. T Detheridge, Principal

Independent auditor

Mazars LLP
Chartered Accountants
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Bankers

Lloyds TSB Bank Plc
High Street Bedford (309066) Branch
P O Box 1000
BX1 1LT

Solicitors

Bates Wells Braithwaite LLP
2-6 Cannon Street
London
EC4M 6YH

WOOTTON ACADEMY TRUST

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

a. Constitution

The charitable company's Trust deed is the primary governing document of the Multi Academy Trust.

The Trustees of Wootton Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Wootton Academy Trust.

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

Wootton Academy Trust is a company limited by guarantee (registration number 07740758) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trust adopted new Articles of Association on the 12th April 2013, which enables the Trust to operate as a Multi Academy Trust and hence, operate more than one school.

b. Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one period after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member. The Members are included in the Reference and administrative details on page 1.

c. Trustees' indemnities

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

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

New Trustees are appointed in accordance with the provisions in the Articles of Association, and any new Trustee will be made aware of the responsibilities in a briefing by the Chair of the Trust and the Chief Finance Officer.

Trustees are appointed for a four year period. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected.

The Trust has implemented governance arrangements which are structured with a Trust Board, a Trust Finance Committee which also performs the requirements of an audit committee, a Curriculum and Standards Committee and a Local Governing Board for each school and college.

Trust Board Roles

Category	Number
Member appointed Directors	5 (maximum 10)
Co opted Directors	0 (maximum 3)
Executive Principal	1
Staff Directors	0
Academy Directors	2 The Chair of each LGB appointed by the Directors
Parent Directors	2 Elected by the parent members of the LGBs

e. Policies adopted for the induction and training of Trustees

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

The training and induction provided for new Trustees will depend upon their existing experience but would always include safeguarding and Prevent training, a tour of the Academy and an opportunity to meet directors, staff and pupils. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual, but would include their legal obligation under charity and company law, content of the articles, funding agreements, board minutes and calendar of meetings. The Trust has also produced a Governance Handbook which is designed to assist the Chair of each Local Governing Board and includes the Trust Governance and Scheme of Delegation.

The Trustees are updated on relevant developments impacting on their roles and responsibilities, and where necessary, or requested, training delivered either from in-house and/or externally provided by the Trust.

f. Organisational structure

The Trust has a board of directors who run the Trust. The Board has three strategic responsibilities:

- Strategy, planning, policy and ethos;
- Standards of achievement and pupil progress; and
- Financial planning, monitoring and accountability.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

The Trust board has company director representation from education, private enterprise and other professionals, with a wide range of experience and skills that they bring to the Trust. The Local Governing Boards have Trustee representation as well as local governors who also have a wide range of backgrounds, including education, safeguarding, human resources, business and community links.

The Board of Trustees plans to meet at least once each term, with an Annual General Meeting also scheduled. The Board establishes an overall framework for the governance of both Wootton Upper School and Kimberley 16 19 College and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification, where these policies have not been delegated to the Local Governing Boards to approve. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are now three committees of the Board, as follows:

- Finance Committee – meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance and risk. It is also responsible for such matters as personnel, estates, health & safety, other aspects of regulatory requirements and reporting.

This committee is responsible for the adequacy and effectiveness of the Trust's systems of internal control and governance processes. It also ensures that the Trust secures economy, efficiency and effectiveness i.e. value for money in all its financial and procedural transactions. It will advise the Board of Trustees on the scope and objectives of the internal auditor, and where appropriate the external auditors. It will report annually to the board, and also recommend the statutory financial statements to the board for approval.

- Curriculum and Standards Committee – meets at least once per term to assist the decision making of the WAT Board, by enabling more detailed consideration to be given to the best means of fulfilling the WAT Board responsibility to ensure academic standards across the Trust's schools, including proper planning, monitoring and quality assurance.

The committee is responsible for reviewing and developing curriculum policies including teaching and learning and CEIAG, reviewing the organization of the curriculum and standards in the Trust's schools with a special focus on disadvantaged pupils as well as evaluating the quality of improvement plans, self-evaluation documents and the on-going professional development of staff.

- Pay Review Committee - meets on an ad hoc basis and is made up of members from the finance committee. The committee reviews the salary of the Executive Principal of the Trust, and will also assess the recommendations from the Executive Principal regarding the Trust's staff.

The Trust Board is responsible for setting strategic direction, adopting an annual plan, approval of the overall curriculum for each academy as well as statutory policies and documents. The Trust is also responsible for approving the budget and the statutory accounts, and making major decisions about the direction of the Trust, capital expenditure and the appointments of the Heads of Trust academies, supported by the respective Local Governing Board.

The Executive Principal is the Accounting Officer and, along with the Senior Leadership of Wootton Upper School and Kimberley 16 - 19 College, is responsible for the day to day operation of the schools, (in particular the organisation of resources such as staffing, facilities and students) and implementing the strategy set by the Board of Trustees and developing plans for the improvement.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

TRADE UNION FACILITY TIME

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables. As the Trust does not have any employees who were relevant union officials during the relevant period it has excluded the tables in its trustees' report.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Wootton Upper School and Kimberley 16 - 19 College are both part of Wootton Academy Trust and are run and operated under the same multi academy trust organisational structure.

Wootton Upper School has strong collaborative links with Wootton Lower School and is an associate member with Wootton Lower School as part of the Wootton Educational Trust. The Wootton Educational Trust forms no part of these accounts.

There are no related parties which either control or significantly influence the decisions and operations of Wootton Academy Trust. There are no sponsors or Parent Teacher Associations associated with Wootton Upper School or Kimberley 16 -19 College.

Objectives and Activities

The principal activity of the Charitable Company is the operation of Wootton Academy Trust to provide free education for pupils of differing abilities between the ages of 13 and 19.

Wootton Academy Trust Motto

The pursuit of excellence, underpins everything that the Trust does.

Wootton Academy Trust Vision

Our vision is to operate a network of academies which are genuinely inclusive; WAT strongly believes that its provision should be judged by how its academies nurture the most vulnerable learners in their communities to maximise their future social mobility.

We operate caring and supportive communities where everyone is encouraged to flourish.

We believe all learners are entitled to the best education possible.

We nurture high aspirations and work collaboratively with others to provide outstanding opportunities.

It is important to us that everyone knows they are valued; and we will celebrate each learner's individual journey as they take their next steps well prepared for life in modern Britain.

Every learner, irrespective of background, is able to embrace the full range of opportunities available at the Trust.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Wootton Upper School and Kimberley 16 – 19 College will support learners to achieve their potential by:

- ensuring teaching and learning is (always) exciting, relevant, active, enabling all students to make rapid progress;
- all staff teaching and support making important contributions to the education of every young person;
- developing partnerships with others, including employers, higher education, sports and arts groups, third sector organisations and other agencies which are mutually collaborative, relevant and planned to enable students to make rapid progress;
- assessing learners' work thoroughly and in a timely manner, informing them what they have done really well and what they need to focus on next as well as providing students' opportunities to reflect on and respond to this advice;
- rigorously evaluating learners' progress, attitude and attendance;
- celebrating learners' successes and believing in the ability of all to succeed;
- valuing all of staff and learners equally and supporting them;
- working as a single, cohesive community of learners, staff, parents, governors, directors and other local people in an inclusive, respectful and tolerant way which is committed to this vision.

Objectives and activities

a. Objectives, strategies and activities

Wootton Academy Trust has clear priorities which are identified in the Trust's Improvement Plan, setting out clear objectives, actions and success criteria for each institution and are influenced by the significant challenges and opportunities arising from national changes in education policy and funding.

Wootton Academy Trust is committed to the pursuit of excellence with an unrelenting drive to ensure that every one of our learners make great progress, achieves exceptional standards and realizes his/her huge potential within academies where best practice is commonplace. It is important to us that all learners are able to access a wide range of enrichment activities in all of our academies to realize their full potential and to be able to operate with great independence in adult life. We are committed to providing all learners lots of diverse opportunities including developing learners' awareness of the importance of British values of upholding the rule of law, tolerance, respect, democracy and equality.

The main objectives of the Trust are summarised below:

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

b. Public benefit

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

The Trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

c. Equal opportunities

The Trustees recognise that equal opportunities should be an integral part of the workplace. The Trust has sought to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are valued.

d. Pay policy for key management personnel

With the exception of the Executive Principal, the Board of Directors are volunteers and receive no remuneration for their services to the academy.

Responsibility for setting the pay and remuneration of the academy's Executive Principal rests with the directors, who have determined that the post shall be paid on a spot salary with an element of performance related pay. The Board monitors the Executive Principal's performance via the Trust appraisal process and the setting of robust targets.

The Board has delegated the performance management of all other key personnel to the Executive Principal. The Trust's Performance Management process is applied by the Executive Principal to all key personnel within the Trust and performance targets are set for both teaching and support staff. Salary scales and pay progression are determined in accordance with the National schemes.

The Executive Principal applies the Trust's Performance Management process to the Vice Principals of Wootton Upper School and the Principal and Assistant Principal of Kimberley 16 – 19 College using the same principles.

The Trustees and Members are committed to complying with the nationally negotiated agreements for both teaching and support staff pay and conditions of employment to all Wootton Academy Trust staff.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Strategic report

a. Achievements and performance

Wootton Upper School was inspected by Ofsted in November 2017; overall effectiveness was graded good.

The report headlines were:

- Leaders have established a culture of high aspirations, at all levels. They are relentless in their focus on continuous and rapid improvement.
- The trust and governors provide clear, strategic leadership. They correctly challenge school leaders where they consider provision needs improving.
- Attainment has risen because teaching is effective. Pupils make good progress, particularly in English and Science.
- The school supports pupils' well-being systematically. As a result, pupils are confident and feel safe.
- Teachers and teaching assistants work collectively to ensure that all pupils succeed. They work together effectively to support pupils' learning in lessons.
- Pupils enjoy school. The majority attend regularly. Well-established procedures are in place to improve the attendance of a small minority of pupils who are regularly absent.
- The very well-planned curriculum offers a wide range of opportunities. Teachers guide pupils to make informed choices before entering the school and at the end of Year 9.
- The school works closely with its trust partner to ensure that pupils have a smooth transition into sixth form studies.

The report highlighted what Wootton Upper School needs to do to improve further?

- Improve the quality of teaching, learning and assessments further by:
- ensuring that all teachers provide tasks suited to the pupils' different abilities and monitor the impact this has on improving the progress they make;
- continuing to improve the attendance of pupils in all year groups so that all pupils meet or exceed national expectations for attendance;
- develop stronger links with parents by communicating with them more often how well their children are doing and by increasing the opportunities for parents to come into school and meet with staff.

During 2018-2019, an Executive Leadership Team was established to include the most senior staff from the College and the School; this group is responsible for formulating improvement priorities and then driving them forward. This has led to the implementation of a Trust wide Improvement Plan.

In August 2019 GCSE results showed further progress [see section b]

Kimberley 16 – 19 College was inspected by Ofsted in January 2017 when overall effectiveness was graded good; therefore, there was no external inspection of the College in 2018 – 2019.

For the third year, the College was listed in the Sunday Times top 20 Sixth Form Colleges based on the proportion of pupils gaining at least two A grades and a B grade at A level [14th in 2019]. Outcomes at BTEC showed progress. Of greatest note was 90% of students gaining their firm choice of destination.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Other notable achievements at Wootton Upper School and Kimberley College include:

- the implementation of the Career Education, Information, Advice and Guidance strategy has led to an ever increasing number of Year 12 students accessing work experience placements and over a thousand visitors to the Trust's career fair;
- We are delighted that the history department at Wootton Upper School has been awarded a silver Quality Mark by the prestigious Historical Association;
- Wootton Upper School receives a Gold Award from the National Citizen Service (NCS) to reflect that we were one of the top 10 schools in the country for student engagement;
- 27 pupils completing the Duke of Edinburgh Bronze award and 9 completing the Silver award;
- This year the Trust took 28 students to Bremen, in Germany to perform four shows of Grease in front of about 1,800 people as part of a long standing musical theatre project.
- 99% of Year 13 parents/carers stated their child was happy at Kimberley College
- Trained student leadership and student ambassadors at Kimberley College and Wootton Upper School with student leaders reporting to governors and senior leaders and taking on leading roles in all aspects of school/college life.
- £6,500 raised for good causes across Wootton Upper School and Kimberley as well as contributions to food banks.

b. Key performance indicators

Key Stage 4 outcomes

Year 11 outcomes largely determined by GCSE examinations

- Progress 8 score: 0.20 [meaning progress was above expected progress]
- Progress 8 score for girls: 0.43 [meaning girls progress was well-above expected progress]
- Progress 8 for English: 0.22 [meaning progress was above expected progress]
- Progress 8 for Maths: 0.22 [meaning progress was above expected progress]
- Science VA score: 0.25 [meaning 1 out of 4 pupils got one grade higher than expected]
- Progress 8 score: 2.0+ 12 pupils achieved 2+ grades higher than expected in all subjects
- Proportion of pupil gaining grade 9 -4
 - English and Maths 70% [national 64%]
 - English Language 73% [national 71%]
 - English Literature 79% [national 75%]
 - Mathematics 77% [national 71%]
 - Biology 89% [national 88%]
 - Chemistry 85% [national 90%]
 - Physics 86% [national 91%]
 - Combined Science 63% [national 56%]
- Pupils with 7+ grades 9-7/A*-A 24
- Pupils with 4+ grade 9s 8
- Attainment 8 score 48 [one of the top seven schools in Bedfordshire and Luton]

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Key Stage 5 outcomes

A level and equivalent

- A level 40% A* B
- A level 64% A* C
- A level 96% A* E
- VA for A Level is -0.09
- VA for Applied General (BTEC) is 0.24

Year 13 Student Destination Data

- 69% of Year 13, continued in education, at university or further education

Most popular course choices in Higher Education this year are:

- Bio medical Sciences (10%)
- Sciences (19%)
- Business and Finance (12%)
- Politics, Law and Economics (7%)
- Engineering and Mathematics (12%)
- Art and Design (10%)
- English and Humanities (6%)
- Social Sciences (10%)
- Performing Arts (7%)

Year 11 Pupil Destination Data:

- 54% went to Kimberley College
- 40% Other Sixth form college /Further Education
- 3% started apprenticeships
- 3% following up

c. Conclusion

Within the above lies the dedicated and professional work of a trust-wide staff team of teachers, learning support assistants, administrative and technical staff led by middle and senior leaders.

The Trustees are indebted to all staff who work so hard for the Trust's pupils and students.

d. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources and plans to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Strategic report

a. Financial Review

The main source of the Trust's income is obtained from the DFE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DFE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

At 31 August 2019, total income into the Trust of £7,641,313 was recorded (2018: £7,559,521).

At 31 August 2019, total expenditure of £8,211,889 (2018: £8,414,430) was predominantly covered by recurrent grant funding from the ESFA and £59,485 (2018: £77,125) was covered by income obtained from other sources.

The actuarial review of the deficit in the Local Government Pension Scheme in respect of its nonteaching staff is incorporated within the Statement of Financial Activity with details in note 26 to the financial statements. The value of the deficit for 2018-19 is £1,922,000, while 2017-18 was £1,156,000. During the period the Trust's scheme liability has increased by £766,000.

b. Reserves policy

The Trustees have a Reserves Policy. The reserve levels of the Trust are reviewed annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review and are maintained on the Risk Register.

When considering an appropriate level of reserves, the trustees/directors consider:

- the risk of unforeseen emergency or other unexpected need for funds;
- covering unforeseen day-to-day operational costs, for example employing temporary staff to cover a long-term sick absence;
- a fall in a source of income, such as lettings;
- planned commitments, or designations, that cannot be met by future income alone, for example plans for a major capital project;
- the need to fund potential deficits in a cash budget, for example money may need to be spent before a funding grant is received (KC move from in-year to lagged funding in 20/21);
- the investment required to grow the Trust.

The financial risks identified determine the amount of reserves WAT targets to hold. To mitigate these risks, the Trust strives to retain an appropriate reserves balance over £750,000.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

(continued)

c. Principal risks and uncertainties

The Trust acknowledges responsibility for safeguarding assets of Wootton Academy Trust and has taken reasonable steps for the prevention and detection of fraud and other irregularities. This provides assurance that:

- Wootton Academy Trust complies with relevant laws and regulations;
- Wootton Academy Trust is operating efficiently and effectively;
- Wootton Academy Trust assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the Trust and its publications is reliable;
- The Trust has reviewed the Risk Register and, this has been discussed by the members of the Finance Committee, prior to approval by the full Board and includes the financial risks to the Academy. The register is reviewed in light of any new information and formally reviewed annually.

The systems and internal control are designed to manage risk at a reasonable level rather than to eliminate all risks of failure of policies, procedures, aims and objectives, it will therefore provide reasonable but not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and then prioritise the risks to the achievement of the Trust's policies, procedures, 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 Trust has a formal risk management process to assess business risks particularly those relating to the specific teaching, provision of facilities, other operational areas, and its finances, and to implement risk management strategies. This process involves identifying the types of risk the Trust and its schools face, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where risk still remains they have ensured that they have adequate specialist advice such as legal, accountancy, HR consultants, H&S advisers and maintain adequate insurance cover to mitigate risk, where risk cannot be eliminated.

Two of the most significant strategic risks facing all Trusts, including Wootton Academy Trust, are firstly, ensuring pupils achieving the best outcomes they are capable of, and secondly, the long term financial viability.

Wootton Academy Trust continues to invest in key roles to ensure that the quality of teaching and enrichment results in pupil outcomes continue to improve as a key element of a plan to tackle this first risk. The impact of this investment has been externally verified at Kimberley College (1) by Ofsted which judged it to be 'Good' with excellent features and recognised (2) by the Sunday Times which ranked it in the Top 20 sixth forms in the country in 2019 (14th place reported in November 2019). Wootton Upper School's strengths and achievements were externally verified by Ofsted in its report following inspection in November 2017. It was graded Good in all aspects..

The Trust continues to focus its Finance Committee meetings on mitigating the financial pressures it faces with positive action to reduce the impact it, and all Trusts, experience.

The Trust regularly reviews and follows guidance provided by DfE to make sure its preparations for Brexit are adequate, particularly in relation to catering, medicinal supplies and overseas trips.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

(continued)

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Trust must include information on fundraising practices. The Trust has raised funds during the year for external charities. All monies raised are paid in full directly to the chosen charities. The Trust does not employ either commercial or professional fundraisers. When the Trust does fundraise it adopts the six principles as set out in the Charity Commission for England and Wales charity fundraising guidance, making use of the checklist the Commission provides to meet its legal requirements and to adhere to good practice recommendations.

Plans for future periods

Key strategic priorities for Wootton Academy Trust in the short to medium term include:

- Raising attainment and progress made by all learners further so that the Trust's schools are recognised as regional centres of excellence, through national measures
- Working collaboratively with other schools and academies to ensure that a coherent educational structure exists across the admissions area from the age of 4 to 19, working with others formally and/or informally;
- Continuing to improve the fabric and facilities in our school and college;
- Embedding the delegated scheme of governance so that the local governing bodies and Trust Board have clearly understood roles and responsibilities;
- Ensuring financial viability through the standards and excellent progress made by its pupils and students resulting in full establishments; and
- Looking for opportunities for the Trust to grow as a multi academy trust in the immediate geographical area and regarded as a successful and highly effective MAT.

Funds held as custodian on behalf of others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Auditor

Mazars LLP has indicated its willingness to continue in office.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 11th December 2019 and signed on its behalf by:



Peter Haddon
Chair of Wootton Academy Trust

WOOTTON ACADEMY TRUST

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GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Wootton Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

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

Trustee	Meetings attended	Out of a possible
Jonathan Billington	7	8
David Clare	5	8
Michael Gleeson (Executive Principal)	8	8
Peter Haddon (Chair)	8	8
Michael Ridley	6	8
Ian Sibbald	4	8
Tim Williams	7	8

The Finance Committee is a committee of the main board. Its purpose is to oversee finance and audit matters with power to act on all day to day matters not reserved to the Board.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jonathan Billington	6	6
David Clare	0	6
Michael Gleeson	6	6
Peter Haddon	5	6
Michael Ridley	4	6
Ian Sibbald	4	6

The Curriculum and Standards Committee is a committee of the main board. Its purpose is to monitor and advise the Board on the Trust improvement and intervention strategies and plans; Special Educational Needs (SEN) and inclusion; Partnership working; Admissions; Safeguarding arrangements; and Community engagement.

WOOTTON ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Haddon	5	5
Michael Gleeson	5	5
Michael Ridley	3	5
Plus LGB representatives in attendance		

Review of value for money

As accounting officer, the Executive Principal has responsibility for ensuring that the Academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

Improving educational outcomes

Key performance indicators at Key Stage 4 and Key Stage 5 are highlighted earlier in this report.

- The Trust's Executive Leadership Team oversees a quality assurance review programme in all subject areas with additional support being targeted at pupils and subjects who are a cause for concern. Senior Leaders scrutinize academic and pastoral data regularly to ensure that all pupils are able to make good progress – evidenced by the improving outcomes of pupils with an identified Special Educational Need.

Better purchasing

- Fitness for purpose:

Contracts and services are regularly reviewed to ensure that they conform to the needs of the Trust and meet any external requirements from the DfE and ESFA. When contracts are due for renewal they are reviewed to assess their relevance, effectiveness and value for money. The Trust's Financial Regulations and its limits agreed by the Wootton Academy Trust Board of Directors are also followed. In exceptional circumstances when it is not possible to get the required number of quotes the reason is recorded.

- Benchmarking:

Wootton Academy Trust will seek to maximise purchasing opportunities and will utilise DfE approved frameworks such as ESPO, CPC and YPO to achieve value for money. These frameworks have already tendered for services and allow ease of comparison of services and goods. The Finance Lead is also a member of the FD Forum and local forums where institutions benchmark and utilise networking opportunities to achieve best value as well as service comparisons.

- Options on Appraisal:

The Wootton Academy Trust will always assess the economy, efficiency, effectiveness and cost effectiveness of various options before making a decision to ensure the right option for the longer term.

WOOTTON ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Improving educational outcomes (continued)

- Economies of Scale

Where possible the Trust will seek to maximise its purchasing power to achieve better value for the Trust's goods and services.

- Maximising income generation

Wootton Academy Trust explores every opportunity to generate income through hire of its facilities, applications for funding and other grants and bids that the Trust is made aware of.

During 2017/18 the ESFA ran a pilot scheme to improve the efficiency and effectiveness of academy institutions. The Trust volunteered to be involved in this pilot and as a result of the work it completed with the School Resources Management Adviser during 2018, the Trust has developed a plan to extend the value for money it achieves.

Reviewing Controls and Managing Risk

Regular budget monitoring reports are produced and reviewed by the Finance Committee, the Executive Principal and the Chief Financial Officer and any necessary remedial action taken to address any significant variances that may have an impact on the budget outturn. The Board of Trustees receives all the reports from the committee and is therefore informed of the Trust's controls and risks.

The Finance Committee reports to the Board of Trustees and reviews the Trust's Risk Register. The Trust understands that it must manage risk as it is not possible to completely remove all risks that the Trust faces. The Trust reviews the likelihood and impact of its risks, scoring this accordingly to prioritise and determine the appropriate course of action to manage the risks.

The Multi Academy Trust is risk averse and is aware of the public money that it is responsible for, it will therefore invest any surplus cash balances in interest bearing accounts to maximise interest earning potential where possible and in line with the Trust's investment policy. The utilisation of reserves is agreed by the Directors to ensure that the Trust is meeting the best needs of its students at the time they are in education with the Trust.

Lessons learnt

The Trust undertakes regular reviews of its core activities to strive for continuous improvement. By recognising what is working well and exploiting and extending this it seeks to deliver value for money. Equally, if a review highlights that the desired improvements are not being achieved the Trust will adapt or stop investing in practices that are not effective.

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
- is based on an ongoing process designed to identify and prioritise the risks to the achievement of Multi 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;
- has been in place in Wootton Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

WOOTTON ACADEMY TRUST

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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Bedford Borough's internal audit services as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included:

- Bank reconciliations;
- Procurement;
- Income; and
- Petty cash.

The auditor reports to the board of trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned and found that there is a sound system of internal control designed to achieve the system objectives thereby providing substantial assurance to trustees.

WOOTTON ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

Approved by order of the members of the board of Trustees on 11th December 2014 and signed on their behalf by:



Mr. Peter Haddon
Chair of Trustees



Mr. Michael Gleeson
Executive Principal


WOOTTON ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Wootton Academy Trust I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy 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 2018.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2018.

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.



Mr. Michael Gleeson
Executive Principal

Date: 11th December .

WOOTTON ACADEMY TRUST

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 11th December 2019 and signed on its behalf by:



Peter Haddon
Chair of Trustees

WOOTTON ACADEMY TRUST

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WOOTTON ACADEMY TRUST

Opinion

We have audited the financial statements of Wootton Academy Trust ("the 'Academy Trust'") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

The impact of uncertainties due to the United Kingdom exiting the European Union on our audit

The Trustees' view on the impact of Brexit is disclosed on page 12.

The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Academy Trust's operations, service users, suppliers and the wider economy.

We considered the impact of Brexit on the Academy Trust as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Academy Trust's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Academy Trust and this is particularly the case in relation to Brexit.

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

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. The other information 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

WOOTTON ACADEMY TRUST

(A company limited by guarantee)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 21, the Trustees (who are directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

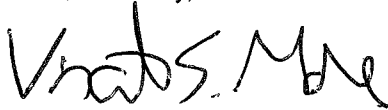
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

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

Use of our report

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



Vincent Marke (Senior statutory auditor)

for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

The Pinnacle

160 Midsummer Boulevard

Milton Keynes

MK9 1FF

Date: 16 December 2019

WOOTTON ACADEMY TRUST

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

In accordance with the terms of our engagement letter dated 07 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wootton Academy Trust during the period 01 September 2018 to 31 August 2019 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 Wootton Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Wootton Academy Trust and the ESFA those matters we are required to state to it 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 Wootton Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Wootton Academy Trust's funding agreement with the Secretary of State for Education dated 23 July 2013 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 01 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP

Date: 16 December 2019

WOOTTON ACADEMY TRUST
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

		Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	1,250	107,392	-	108,642	868,449
Charitable activities		7,393,134	-	-	7,393,134	6,551,609
Other trading activities		37,971	-	100,953	138,924	138,690
Investments	6	-	-	613	613	773
Total income		7,432,355	107,392	101,566	7,641,313	7,559,521
Expenditure on:						
Raising funds		-	-	59,485	59,485	77,125
Charitable activities	8	7,219,118	933,286	-	8,152,404	8,337,305
Total expenditure		7,219,118	933,286	59,485	8,211,889	8,414,430
Net income/(expenditure)		213,237	(825,894)	42,081	(570,576)	(854,909)
Transfers between funds	19	-	51,761	(51,761)	-	-
Net movement in funds before other recognised gains/(losses)		213,237	(774,133)	(9,680)	(570,576)	(854,909)
Actuarial losses on defined benefit pension schemes	25	(563,000)	-	-	(563,000)	457,000
Net movement in funds		(349,763)	(774,133)	(9,680)	(1,133,576)	(397,909)
Reconciliation of funds:						
Total funds brought forward		(1,063,585)	35,447,674	151,736	34,535,825	34,933,734
Net movement in funds		(349,763)	(774,133)	(9,680)	(1,133,576)	(397,909)
Total funds carried forward		(1,413,348)	34,673,541	142,056	33,402,249	34,535,825

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

The notes on pages 32 to 54 form part of these financial statements.

WOOTTON ACADEMY TRUST
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BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2019

		2019 £	2018 £
Fixed assets			
Tangible assets	15	34,610,112	35,444,771
		<u>34,610,112</u>	<u>35,444,771</u>
Current assets			
Debtors	16	133,997	209,623
Cash at bank and in hand		1,048,569	687,129
		<u>1,182,566</u>	<u>896,752</u>
Creditors: amounts falling due within one year	17	(303,406)	(455,391)
Net current assets		<u>879,160</u>	<u>441,361</u>
Total assets less current liabilities		<u>35,489,272</u>	<u>35,886,132</u>
Creditors: amounts falling due after more than one year	18	(165,024)	(194,307)
Defined benefit pension scheme liability	25	(1,922,000)	(1,156,000)
Total net assets		<u><u>33,402,248</u></u>	<u><u>34,535,825</u></u>
Funds of the Academy			
Fixed asset funds	19	34,673,541	35,447,674
Restricted income funds	19	508,652	92,415
		<u>35,182,193</u>	<u>35,540,089</u>
Restricted funds excluding pension asset	19	35,182,193	35,540,089
Pension reserve	19	(1,922,000)	(1,156,000)
Total restricted funds	19	<u>33,260,193</u>	<u>34,384,089</u>
Unrestricted income funds	19	142,055	151,736
Total funds		<u><u>33,402,248</u></u>	<u><u>34,535,825</u></u>

WOOTTON ACADEMY TRUST
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BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The financial statements on pages 28 to 54 were approved by the Trustees, and authorised for issue on
and are signed on their behalf, by:

11th December 2019


Peter Haddon
Chair of Trustees

The notes on pages 32 to 54 form part of these financial statements.

WOOTTON ACADEMY TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	21	451,816	267,583
Cash flows from investing activities	22	(90,376)	(1,050,744)
Change in cash and cash equivalents in the year		361,440	(783,161)
Cash and cash equivalents at the beginning of the year		687,129	1,470,290
Cash and cash equivalents at the end of the year	23	<u>1,048,569</u>	<u>687,129</u>

The notes on pages 32 to 54 from part of these financial statements

WOOTTON ACADEMY TRUST

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 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 i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy'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 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.

- **Donations**

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

- **Other income**

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

WOOTTON ACADEMY TRUST

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

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 allocated on the portion of the asset's use.

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

The Academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 Tangible fixed assets

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- over its useful economic life on transfer in to the Trust
Fixture and fittings	- 3-4 years straight line
Plant and machinery	- 15 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 5 years 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 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

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

1.9 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 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Multi Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.12 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2019. 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.

3. Income from donations and capital grants

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	1,250	1,250	250
Capital Grants	107,392	107,392	868,199
	<u>108,642</u>	<u>108,642</u>	<u>868,449</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. Funding for the Academy's educational operations

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	6,996,367	6,996,367	6,265,779
Other DfE/EFA grants	164,776	164,776	119,707
Local authority grants	231,991	231,991	166,123
	<u>7,393,134</u>	<u>7,393,134</u>	<u>6,551,609</u>

5. Income from other trading activities

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	-	24,762	24,762	32,338
Catering income	-	432	432	1,036
Trips and visits	-	56,232	56,232	63,394
Uniform sales	-	57	57	41,422
Sundry income	37,971	19,470	57,441	500
	<u>37,971</u>	<u>100,953</u>	<u>138,924</u>	<u>138,690</u>
Total 2018	<u>40,922</u>	<u>97,768</u>	<u>138,690</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Short term deposits	613	613	773

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	-	-	59,485	59,485	77,125
Activities					
Direct costs	4,969,394	933,286	468,986	6,371,666	6,397,183
Support costs	726,384	543,862	510,492	1,780,738	1,940,122
	<u>5,695,778</u>	<u>1,477,148</u>	<u>1,038,963</u>	<u>8,211,889</u>	<u>8,414,430</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Charitable activities	8,152,404	8,152,404	8,337,305

WOOTTON ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
All costs	6,371,666	1,780,738	8,152,404	8,337,305

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Support staff costs	726,384	922,849
Premises costs	523,224	577,156
Technology costs	99,248	72,316
Other support costs	419,111	351,527
Governance costs	12,771	16,274
	<u>1,780,738</u>	<u>1,940,122</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	28,612	33,134
Depreciation of tangible fixed assets	925,034	847,788
Fees paid to auditor for:		
- audit	10,270	10,000
- other services	2,150	2,150
	<u>966,066</u>	<u>993,072</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	4,307,361	4,406,733
Social security costs	404,971	422,377
Pension costs	910,834	935,709
Supply teaching costs	55,648	116,539
Redundancy payments	9,472	8,659
Other staff costs	842	-
	<u>5,689,128</u>	<u>5,890,017</u>

Staff restructuring costs comprise:

	2019	2018
	£	£
Redundancy payments	<u>9,472</u>	<u>8,659</u>

b. Staff numbers

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

	2019	2018
	No.	No.
Teachers	71	75
Administration and support	48	54
Management	4	4
	<u>123</u>	<u>133</u>

c. Higher paid staff

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

11. Staff costs (continued)

c. Higher paid staff (continued)

	2019 No.	2018 No.
In the band £60,001 - £70,000	-	3
In the band £70,001 - £80,000	3	-
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>4</u>

d. Key management personnel

The key management personnel of the multi-academy trust comprise the Trustee and Executive Leadership Team as listed on page 1 and the Finance Lead. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £406,585 (2018: £393,819).

12. Central services

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

- Staff costs
- Premises costs
- Educational costs
- Administrative costs
- Governance costs

The Academy charges for these services on the following basis:

Budgeted 2018/19 student headcount.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Kimberley College16 - 19 STEM College	213,751	186,655
Wootton Upper School	430,902	435,039
Total	<u>644,653</u>	<u>621,694</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

13. Trustees' remuneration and expenses

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

		2019	2018
		£	£
M Gleeson (Principal of the Trust)	Remuneration	95,000 - 100,000	95,000 - 100,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £113).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

15. Tangible fixed assets

	Freehold property £	Fixture and fittings £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2018	38,917,124	818,401	-	944,675	47,640	40,727,840
Additions	71,246	3,783	-	23,597	-	98,626
Disposals	-	(3,893)	-	-	-	(3,893)
Transfers between classes	(1,652,246)	144,110	1,508,136	-	-	-
At 31 August 2019	37,336,124	962,401	1,508,136	968,272	47,640	40,822,573
Depreciation						
At 1 September 2018	3,612,965	791,414	-	831,209	47,481	5,283,069
Charge for the year	792,771	70,000	-	66,463	159	929,393
Transfers between classes	(78,237)	-	78,237	-	-	-
At 31 August 2019	4,327,499	861,414	78,237	897,672	47,640	6,212,462
Net book value						
At 31 August 2019	33,008,625	100,987	1,429,899	70,600	-	34,610,111
At 31 August 2018	35,304,158	26,987	-	113,467	159	35,444,771

The transfer between freehold property and plant and machinery has been done to aid user understanding as more items have been acquired during the year that better fits this description.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	854	16,111
Other debtors	41,540	84,936
Prepayments and accrued income	74,283	92,154
Tax recoverable	17,320	16,422
	<u>133,997</u>	<u>209,623</u>

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	29,281	19,974
Other creditors	113,684	99,306
Accruals and deferred income	160,441	154,762
GAG abatement	-	181,349
	<u>303,406</u>	<u>455,391</u>

	2019 £	2018 £
Deferred income at 1 September 2018	48,251	-
Resources deferred during the year	-	44,145
	<u>48,251</u>	<u>44,145</u>

Included in deferred income is £48,251 (2018: £40,989) of EFA Rates Relief for September 19 to March 19 and £Nil of scholar tickets (2018: £3,156).

Included in other creditors is £51,487 (2018: £40,281) held in respect of the 16-19 Bursary Funds received from the EFA but not yet distributed.

18. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	<u>165,024</u>	<u>194,307</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	151,736	101,565	(59,485)	(51,761)	-	142,055
Restricted general funds						
Restricted Funds - all funds	92,415	7,432,355	(7,016,118)	-	-	508,652
Pension reserve	(1,156,000)	-	(203,000)	-	(563,000)	(1,922,000)
	<u>(1,063,585)</u>	<u>7,432,355</u>	<u>(7,219,118)</u>	<u>-</u>	<u>(563,000)</u>	<u>(1,413,348)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	35,447,674	107,392	(933,286)	51,761	-	34,673,541
Total Restricted funds	<u>34,384,089</u>	<u>7,539,747</u>	<u>(8,152,404)</u>	<u>51,761</u>	<u>(563,000)</u>	<u>33,260,193</u>
Total funds	<u><u>34,535,825</u></u>	<u><u>7,641,312</u></u>	<u><u>(8,211,889)</u></u>	<u><u>-</u></u>	<u><u>(563,000)</u></u>	<u><u>33,402,248</u></u>

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

Restricted General Funds

The General Annual Grant Fund is the recurrent funding to be used for educational purposes in accordance with the Multi-Academy Trust's Funding Agreement with the DfE.

The pension reserve of £1,922,000 (overdrawn) represents the Multi-Academy Trust's share of the deficit in the Bedfordshire Pension Fund.

Restricted Fixed Asset Fund

The Restricted Fixed Asset Fund is shown by component of different funds which have been received by the Multi-Academy Trust. The balance is represented by the net book value of all fixed assets held with capital funding which is yet to be spent.

Under the funding agreement with the Secretary of State, the Multi-Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

WOOTTON ACADEMY TRUST

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

The transfer to restricted fixed asset funds relates to assets bought out of unrestricted funds.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Wootton Upper School	1,712,323	1,319,605
Kimberley 16-19 STEM College	(1,061,616)	(1,075,454)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	650,707	244,151
Restricted fixed asset fund	34,673,541	35,447,674
Pension reserve	(1,922,000)	(1,156,000)
	<hr/>	<hr/>
Total	33,402,248	34,535,825
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

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

	Total 2019 £
Wootton Upper School	4,688,782
Kimberley 16-19 STEM College	2,386,821
	<hr/>
Academy	7,075,603
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General funds	230,601	120,154	(77,125)	(121,894)	-	151,736
Restricted general funds						
Restricted funds - all funds	768,766	6,571,168	(7,247,519)	-	-	92,415
Pension reserve	(1,371,000)	-	(242,000)	-	457,000	(1,156,000)
	(602,234)	6,571,168	(7,489,519)	-	457,000	(1,063,585)
Restricted fixed asset funds						
Restricted fixed asset funds	35,305,367	868,199	(847,786)	121,894	-	35,447,674
Total Restricted funds	34,703,133	7,439,367	(8,337,305)	121,894	457,000	34,384,089
Total funds	34,933,734	7,559,521	(8,414,430)	-	457,000	34,535,825

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	34,610,112	-	34,610,112
Current assets	977,082	63,429	142,055	1,182,566
Creditors due within one year	(303,406)	-	-	(303,406)
Creditors due in more than one year	(165,024)	-	-	(165,024)
Provisions for liabilities and charges	(1,922,000)	-	-	(1,922,000)
Total	(1,413,348)	34,673,541	142,055	33,402,248

Analysis of net assets between funds - prior year

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	35,444,771	-	35,444,771
Current assets	742,113	2,903	151,736	896,753
Creditors due within one year	(455,390)	-	-	(455,391)
Creditors due in more than one year	(194,307)	-	-	(194,307)
Provisions for liabilities and charges	(1,156,000)	-	-	(1,156,000)
Total	(1,063,584)	35,447,674	151,736	34,535,826

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

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

	2019 £	2018 £
Net expenditure for the year (as per Statement of financial activities)	(570,576)	(854,909)
Adjustments for:		
Depreciation	925,034	847,786
Defined benefit pension scheme cost less contributions payable	203,000	242,000
Increase in debtors	75,626	366,865
Decrease in creditors	(181,268)	(334,159)
Net cash provided by operating activities	451,816	267,583

22. Cash flows from investing activities

	2019 £	2018 £
Proceeds from the sale of tangible fixed assets	3,892	536
Capital expenditure and financial investment	(94,268)	(1,051,280)
Net cash used in investing activities	(90,376)	(1,050,744)

23. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,048,569	687,129

24. Capital commitments

At 31 August 2019 the Academy had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	-	58,021

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

25. Pension commitments

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

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

25. Pension commitments (continued)

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £502,834 (2018 - £515,150).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £263,000 (2018 - £280,882), of which employer's contributions totalled £205,000 (2018 - £219,376) and employees' contributions totalled £58,000 (2018 - £61,506). The agreed contribution rates for future years are 24 per cent for employers and variable per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.50	2.70
Rate of increase for pensions in payment/inflation	2.20	2.40
Discount rate for scheme liabilities	1.85	2.80

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25. Pension commitments (continued)

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	20.7	22.4
Females	23.2	24.5
<i>Retiring in 20 years</i>		
Males	21.7	24.0
Females	24.7	26.2

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

	At 31	At 31
	August 2019	August 2018
	£	£
Equities	2,783,000	2,200,520
Bonds	625,000	531,160
Property	379,000	341,460
Cash	187,000	720,860
Total market value of assets	3,974,000	3,794,000

The actual return on scheme assets was £105,000 (2018 - £92,000).

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

	2019	2018
	£	£
Current service cost	(375,000)	(423,000)
Interest income	107,000	87,000
Interest cost	(137,000)	(124,000)
Administrative expenses	(3,000)	-
Total amount recognised in the Statement of financial activities	(408,000)	(460,000)

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25. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	4,950,000	4,747,000
Current service cost	354,000	423,000
Interest cost	137,000	124,000
Employee contributions	58,000	61,000
Actuarial losses/(gains)	561,000	(365,000)
Benefits paid	(185,000)	(40,000)
Past service costs	21,000	-
At 31 August	<u>5,896,000</u>	<u>4,950,000</u>

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

	2019 £	2018 £
At 1 September	3,794,000	3,376,000
Interest income	107,000	87,000
Actuarial (losses)/gains	(2,000)	92,000
Employer contributions	205,000	218,000
Employee contributions	58,000	61,000
Benefits paid	(185,000)	(40,000)
Administration expenses	(3,000)	-
At 31 August	<u>3,974,000</u>	<u>3,794,000</u>

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26. Operating lease commitments

At 31 August 2019 the Academy had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	38,907	28,612
Later than 1 year and not later than 5 years	62,066	2,669
	<u>100,973</u>	<u>31,281</u>

27. Members' liability

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

28. Related party transactions

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

29. School Fund

The Multi-Academy Trust has a school fund which has not been incorporated in these financial statements. The school fund accounts are drawn up to 31 March 2019 and are excluded from the main body of the Multi-Academy Trust's accounts due to the non-coterminous year end and that the school fund is not material to the multi-academy trust's financial statements. The school fund accounts to 31 March 2019 have been independently examined by a firm of professional accountants.

A summary of the school fund accounts for the year to 31 March 2019 is presented below:

	2019 £	2018 £
Income	37,967	96,947
Expenditure	(34,629)	(91,350)
	<u>3,338</u>	<u>5,597</u>