

Company Registration Number: 07706741 (England & Wales)

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**



**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Kate Lovell James Millward (deceased 14 April 2022) Philip Eavis Graham Cockill (appointed 11 January 2022) Zena Pollard (appointed 11 January 2022)
Trustees	Richard Cleave, Staff Trustee ^{2,5} James Millward, Chair of Trustees (deceased 14 April 2022) ^{1,2,3,5} Philip Eavis (resigned 12 January 2022) ^{1,2} William Wai Chun Leung ^{1,5} Kate Lovell, Vice Chair ^{1,2,3,4,5} Stuart Byrne (resigned 14 January 2022) ^{1,3} Lynne Elstob ^{2,3} Anna Gurowich, Staff Trustee ^{2,4} Elliot Hill (resigned 1 September 2022) Karen Louise Ransted ^{2,4} Guy David Swallow, Headteacher ^{1,2,3,4,5} Matthew Lockyer, Chair of Trustees ^{1,3} Zoe Crarer Steve Jackson (appointed 5 April 2022) Zena Pollard (appointed 11 January 2022) Graham Cockill (appointed 11 January 2022)
	¹ Business and Finance committee ² Teaching and Learning committee ³ Appraisal and Pay committee ⁴ Behaviour and Welfare committee ⁵ Strategic SIP committee
Company registered number	07706741
Company name	Whitstone School Academy Trust
Principal and Registered office	Charlton Road Shepton Mallet Somerset BA4 5PF
Company secretary	Lara Schofield
Accounting Officer	Guy Swallow
Senior management team	Guy Swallow, Headteacher Devlina Main, Business Manager Neil Elsegood, Assistant Head Ben Howarth, Assistant Head Debora Pyne, Assistant Head Maz Turner, Assistant Head Laura Hunt (seconded from 01 January 2022), Assistant Head Kelly Gribbin (seconded from 01 January 2022), Assistant Head

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Bankers Lloyds
64 Fore Street
Trowbridge
BA14 5AD

Solicitors Browne Jacobson LLP
1 Manor Court
Dix's Field
Exeter
EX1 1UP

**WHITSTONE SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a secondary academy for pupils aged 11 to 16 in Shepton Mallet. It has a pupil capacity of 770 and had a roll of 561 in the school census on 6 October 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Whitstone School Academy Trust are also the directors of the Charitable Company for the purposes of company law.

Members' Liability

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

Trustees' Indemnities

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 £5,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

On 1 August 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 3 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 10 other Trustees.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 7 Trustees who are appointed by members.
- up to 3 Trustees co-opted by the Trustee Body.
- up to 1 LA Trustee who is appointed by the Local Authority.
- up to 5 Parent Trustees who are elected by Parents of registered pupils at the Academy.
- up to 3 staff Trustees who are elected by staff of Whitstone School.
- the Headteacher.

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Policies and Procedures adopted for the Induction and Training of Trustees

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

Organisational Structure

The Board of Trustees normally meets twice in the autumn term and once in the spring and summer terms. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 5 committees as follows;

- **Business and Finance Committee** - this meets once a term and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- **Teaching and Learning Committee** - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- **Appraisal and Pay Committee which meets twice a year.** It is responsible for reviewing staff salaries in line with the Pay Policy and to carry out the Headteacher's performance management.
- **Strategic School Improvement Planning Committee** which meets twice a year to monitor progress against the school's improvement plan. This committee challenge and reflect upon the long-term aims of the schools with regard to particular themes.
- **Behaviour and Welfare** meets three times a year to monitor student behaviour and attendance. This committee also reflects on peer-on-peer abuse, anti-bullying and other matters relating to student wellbeing.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the School Improvement Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, four Assistant Headteachers and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

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

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher and Business Manager are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to Budget Holders which must be

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

authorised by the Headteacher. The Headteacher is responsible for the appointment of staff and appointment panels for senior teaching posts will include a Trustee.

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

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

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£-
Provide the total pay bill	£2,807,497
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	-%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	-%
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Related Parties and other Connected Charities and Organisations

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**TRUSTEES' REPORT (CONTINUED)
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Shepton Mallet Leisure Centre forms part of the Academy's facilities and has been managed and run by the School since 22nd April 2016. Willow Nursery is an independent charity which occupies part of the Academy's site.

The Academy has strong collaborative links with 7 partner primary schools which form part of the School's Learning Community.

There are no related parties which either control or significantly influence the decisions and operations of Whitstone School Academy Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad curriculum for students of different abilities, with a strong emphasis on developing knowledge and skills that will enable them to pursue a career of their choosing in the future.

The principal object and activity of the Charitable Company is the operation of Whitstone School Academy Trust to provide free education and care for pupils of different abilities between the ages of 11 and 16.

The aims of the Academy during the year ended 31 August 2022 are summarised below:

- to support students in the return to normal examinations
- to maximise the number of students who achieve a positive Progress 8 score.
- to secure examination outcomes which move the school away from levels of serious concern
- to engage in an Ofsted process which identifies the strengths of the school and the journey it is currently on
- to ensure that staffing structures are clear and job roles allow school staff the opportunity to succeed
- to develop a three-year improvement plan which allows leaders to plan in a longer-term fashion, thereby resulting in greater depth and sustainability
- to recover lost learning because of the COVID-19 pandemic and associated lockdowns
- to bridge the gap created between students because of differential learning during the pandemic
- to further engage students with enrichment and wider learning outside of the classroom following the pandemic
- to continue to raise the standard of educational attainment and achievement of all pupils
- to provide a broad and balanced curriculum, with the development and recall of knowledge at the very heart
- to develop the Academy site so that it enables students to achieve their full potential
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended
- to continue to develop greater coherence, clarity and effectiveness in school systems
- to comply with all appropriate statutory and curriculum requirements
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Whitstone School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan which is available from the School Office. Areas for development for this year include:

There are four areas identified within the School Development Plan. These are all based upon a three-year model of development and encourage leaders to think in a more long-term fashion about the areas they lead. Within each of the four areas, there are three common themes. These themes run across all work within school and are key improvement areas.

- **Teaching and Learning:** The development of teaching across school continues to be a focus for all colleagues. This will be achieved by regular consideration of the 'Excellent Whitstone Lesson' document and CPD which supports the needs of all teaching staff. Quality assurance will take place through the updated 'Coaching Drop-In' programme.
- **CPD:** CPD has developed considerably in the previous two years and will now be further updated to provide a bespoke package of training for all colleagues. This package of training will now include greater support for non-teaching colleagues and will allow pathways for development.
- **Inclusivity:** The work around inclusion in school will continue to be a focus however, will now span those students with SEN needs and those who are vulnerable as a result of other factors. The work in inclusion this year will include the embedding of new structures in our Ambition Zone.
- **Curriculum:** This year (as well as the following two years) will see us continue to develop our whole-school curriculum, whilst also further updating the curriculum within each subject area. The challenge of continuing to broaden our curriculum through the addition of new courses will need to be balanced with the importance of ensuring quality teaching within new and existing subjects.

As above, key activities and targets have been identified in the School Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

Literacy: We are committed to instilling a passion for literature and a love of reading amongst all of our students, as part of a commitment to ensuring excellent literacy development for all of our students. Literacy skills should be tracked and monitored across all programme and initiatives, with intervention available where students require support.

Partnerships: Whitstone School is determined to develop not only the educational provision we offer in school, but also the community we serve. By developing links and relationships with local schools, external organisations and individuals around the country and beyond, we believe that we can both share good practice as well as learn from others. Our partnership work seeks to develop the educational experience students have before they arrive with us, during their time at Whitstone School and also when they leave at the age of 16.

Disadvantaged Students: Our disadvantaged students currently make less progress and experience opportunities less frequently than their non-disadvantaged peers. Our aim is to ensure that all students make excellent progress and engage fully with all personal development experiences. To determine whether this is happening, our tracking and monitoring should be rigorous and allow us to understand the patterns of behaviour, engagement and progress of this group of students.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The School aims to advance for the public benefit, education in Shepton Mallet and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the development of deep understanding and use of a wide range of skills.

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

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The 2021-22 academic year marked one of the most successful in the school's recent history. This is particularly notable given the emergence, to some degree, from the COVID-19 pandemic and the start of a cost of living crisis. The academic year, whilst being successful, did also contain the tragic passing of James Millward, our respected Chair of Trustees. These factors combined to ensure a year of challenge for our school, real sadness at times and also great uncertainty for school leaders and wider staff.

The first notable achievement of the academic year came in the form of our Ofsted inspection. The school was risk assessed as a consequence of the school's outcomes in 2019 (and before), which resulted in a more detailed Section 5 inspection. Despite this, the inspectors observed a school in a very strong position and also on a rapid journey of improvement. The final report placed the school in the very top band of schools within Somerset for Ofsted performance, with one of the best outcomes the county is likely to see for a number of years.

Following the cancellation of examinations in 2020 and 2021, the return to formal end of year assessments was welcomed within school however, concern was apparent given the fact that the Year 11 cohort of students had had a disrupted and challenging Key Stage 4. Despite this, the Year 11 students achieved excellent results and some of the best in school's history in key measures. The Progress 8 score of -0.09 demonstrated dramatic improvement for the school (the previous set of results were -0.76) and evidenced the progress the school has made in all areas in recent years. Individual students performed excellently, with more 'grade 9's' than in all years previously combined.

Last year saw the culmination in the work around staffing structures in school. This has been a three-year piece of work to ensure that job roles and responsibilities align to bring about the best outcomes for the school. Those in place in 2019 often resulted in colleagues working with great uncertainty and in a direction which did not support whole-school improvement. Despite unplanned absences of senior staff, it was pleasing to see that work to develop leaders across school has resulted in capable colleagues being in a position to immediately step into the gap left by those on long-term absence.

In terms of the performance of the Trust, the Shepton Mallet Leisure Centre continues to provide challenges in terms of its long-term sustainability and in achieving its aims of being financially viable, useful for school students and also provide a well-used service to the community. More time is being spent by school leaders in seeking to improve the performance of the Leisure Centre however, concerns remain.

Finally, work is ongoing to assess and strengthen governance across the school. It is hoped that current work amongst Members and Trustees, a planned external governance review and ongoing dialogue will result in a highly effective group of Members and Trustees, school leaders feeling valued and the wellbeing of school staff being considered.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is restricted to 12% the restriction has been removed in the year. In period under review, £62,445 was carried forward representing 2% of GAG.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2021 were 561, an increase of 13 over 2020. It is anticipated that this number will continue to rise. Student attendance was 93% and exam success showed an actual Progress 8 of -0.09.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy'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 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2022, the Academy received total income of £3,986,667 and incurred total expenditure of £4,418,155. The excess of expenditure over income for the year was £431,488.

At 31 August 2022 the net book value of fixed assets was £7,102,873 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 22 April 2013 at £15M. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the former school's budget share (£63,559) was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees will take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

Following the finalisation of the annual accounts for 2022 the Trustees have determined that the appropriate level of free cash reserves should be no less than £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. At 31 August 2022, the Academy Trust had

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

unrestricted free reserves (not including fixed assets purchased using unrestricted funds) of £252,542 and £62,445 of restricted reserves that are held for revenue purposes.

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

The Trustees have reviewed the future plans of the Academy and have set designated reserves as follows: £50,000 reserve fund for the astro-turf pitch for replacement in 2030.

Investment Policy

The Academy aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

Regular cash flows are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.

Where the cash flow identifies a base level of cash funds that will be surplus to requirements, these may be invested in interest bearing deposit accounts at banks as detailed in the Investment policy, or in Treasury deposits, with maturity dates which do not result in the cash funds being unavailable for longer than 12 months.

Periodically, at least annually, the Business Manager will review the interest rates being achieved and will compare with other investment opportunities that comply with the parameters of this.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 97% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The COVID-19 pandemic has had a significant impact on the revenue generated by the Leisure Centre as it has had to close as part of the national lockdown. The future is uncertain although there is a loyal base of local support.

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

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

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

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

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

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

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

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

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

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Academy will continue to run the Leisure Centre and develop the facility to provide good quality sport and leisure provision for all stakeholders.

Full details of our plans for the future are given in our School Improvement Plan, which is available on our website or from the Clerk to the Trustees.

AUDITOR

In so far as the Trustees are aware:

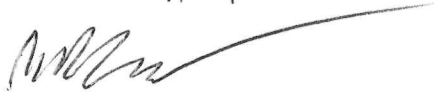
- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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**TRUSTEES' REPORT (CONTINUED)
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The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 9/12/22 and signed on the board's behalf by:



Matthew Lockyer
Chair of Trustees

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Whitstone School 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Whitstone School 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.

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GOVERNANCE STATEMENT (CONTINUED)

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 4 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Richard Cleave, Staff Trustee	2	4
James Millward, Chair of Trustees,	2	3
Philip Eavis	0	2
William Wai Chun Leung	4	4
Kate Lovell, Vice Chair	4	4
Stuart Byrne	1	2
Lynne Elstob	2	2
Anna Gurowich, Staff Trustee	3	3
Elliot Hill	0	4
Karen Louise Ransted	4	4
Guy David Swallow, Headteacher	4	4
Matthew Lockyer, Chair of Trustees	4	4
Zoe Crarer	1	1
Steve Jackson	1	2
Zena Pollard	0	0
Graham Cockill	0	0

The Board of Trustees annually reviews the make-up of the Board and individual skills' sets of all its members. New governors are selected, as far as possible, on their professional background and/or their skills and experience. The Board of Trustees are mindful that these skills need to complement the existing skills on the Board and meet the needs of the Academy in the future.

Trustees are informed of regular training availability and these opportunities are taken up where appropriate. The Board of Trustees have undertaken a detailed skills' audit which will be used to highlight particular training opportunities with specific trustees in the future.

The Business and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.
- Make appropriate comments and recommendations on such matters to the Board of Trustees on a regular basis.
- Major issues will be ratified to the full Board of Trustees for ratification.

Terms of Reference:

- To consider the academy's indicative funding, notified annually by the ESFA, and to assess its implications for the academy, in consultation with the Headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the Board of Trustees..
- To consider the recommended acceptance/non-acceptance of the academy's budget, at the start of each financial year.
- To contribute to the formulation of the academy's improvement plan, through consideration of financial priorities and proposals, including staffing and the development and maintenance of buildings and grounds.
- To ensure the health and safety of students, staff, visitors and other users of the school facilities and to meet the requirements of all Health & Safety legislation.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

- To liaise with and receive reports from the Teaching and Learning committee, as appropriate, and to make recommendations about the financial aspects of matters being considered by the committee.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the ESFA, drawing any matters of concern to the attention of the Board of Trustees.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate, make recommendations for improvement.
- To liaise with and receive reports from the Headteacher as appropriate, with regards to the running and financial viability of the Leisure Centre, to report to Business & Finance committee; and to receive reports from the LC user group.
- To receive auditors' reports and to recommend to the Board of Trustees action as appropriate in response to audit findings.
- To recommend to the Board of Trustees the appointment or reappointment of the auditors of the academy.
- To incorporate the duties of the Audit Committee
- To review teachers' pay progression and the salaries of the Headteacher and SLT on an annual basis as recommended by the Appraisal and Pay Committee.
- To review and monitor the school's marketing strategy
- To review policies as appropriate in accordance with recommended timescales.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Guy Swallow	3	3
James Millward	1	2
Lynne Elstob	3	3
Kate Lovell	3	3
Stuart Byrne	0	1
Matt Lockyer	3	3
William Wai Chun Leung	3	3

The Audit Committee is incorporated into the Business and Finance committee. Its purpose is to:

- review the body's internal and external financial statements and reports to ensure that they reflect best practice
- discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff
- consider all relevant reports by the Comptroller and Auditor General or the appointed external auditor, including reports on the body's accounts, achievement of value for money and the response to any management letters
- review the effectiveness of the body's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner
- ensure that the body's internal audit service meets, or exceeds, the standards specified in the Government Internal Audit Manual, complies in all other respects with these guidelines and meets agreed levels of service
- consider and advise the board on the body's annual and long-term audit programme
- consider internal audit reports, including value-for-money reports and the arrangements for their implementation
- review the operation of the body's code of practice for board members and code of conduct for staff
- consider any other matters where requested to do so by the board
- report at least once a year to the board on the discharge of the above duties.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Continuing to review the structure of teaching and support staff in order to maximise the use of resources and deploying staff effectively.
- Planned maintenance of buildings and replacement of IT, furniture, fixtures and fittings in order to improve provision of resources.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Whitstone School Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to employ Education Financial 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 income, payroll, purchasing and general financial operations.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (CONTINUED)

On an annual basis, the internal auditor reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

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

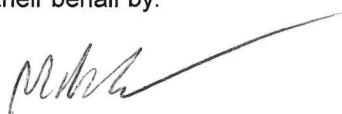
- the work of the internal auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk 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 their behalf by:

9/12/22

and signed on



Matthew Lockyer
Chair of Trustees



Guy Swallow
Accounting Officer

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Whitstone School Academy Trust I have considered my responsibility to notify the Academy Trust 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 Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

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



Guy Swallow
Accounting Officer

Date: 9/12/22

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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
and signed on its behalf by:

9/12/22



Matthew Lockyer
Chair of Trustees

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WHITSTONE SCHOOL ACADEMY TRUST**

Opinion

We have audited the financial statements of Whitstone School Academy Trust (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WHITSTONE SCHOOL ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WHITSTONE SCHOOL ACADEMY TRUST (CONTINUED)**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WHITSTONE SCHOOL ACADEMY TRUST (CONTINUED)**

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 Auditors' Report.

Use of our report

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

Bishop Fleming LLP

Tim Borton FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: *21/12/22*

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 21 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Whitstone School Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Whitstone School Academy Trust's funding agreement with the Secretary of State for Education dated 01 August 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WHITSTONE
SCHOOL 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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Tim Borton FCA DChA (Reporting Accountant)

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: *21/12/22*

WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	23,031	75,975	51,899	150,905	67,066
Other trading activities	6	94,048	-	-	94,048	23,757
Investments	7	59	-	-	59	56
Charitable activities	4	273,906	3,467,749	-	3,741,655	3,388,397
Total income		391,044	3,543,724	51,899	3,986,667	3,479,276
Expenditure on:						
Charitable activities		393,889	3,829,748	194,518	4,418,155	3,885,883
Total expenditure		393,889	3,829,748	194,518	4,418,155	3,885,883
Net (expenditure)/ income		(2,845)	(286,024)	(142,619)	(431,488)	(406,607)
Transfers between funds	18	-	(35,050)	35,050	-	-
Net movement in funds before other recognised gains/(losses)		(2,845)	(321,074)	(107,569)	(431,488)	(406,607)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	2,319,000	-	2,319,000	(95,000)
Net movement in funds		(2,845)	1,997,926	(107,569)	1,887,512	(501,607)
Reconciliation of funds:						
Total funds brought forward		320,248	(2,893,481)	7,133,330	4,560,097	5,061,704
Net movement in funds		(2,845)	1,997,926	(107,569)	1,887,512	(501,607)
Total funds carried forward		317,403	(895,555)	7,025,761	6,447,609	4,560,097

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 55 form part of these financial statements.

WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07706741

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	7,102,873	7,265,945
Current assets			
Debtors	15	96,664	52,022
Cash at bank and in hand		466,326	439,303
		<u>562,990</u>	<u>491,325</u>
Creditors: amounts falling due within one year	16	(260,254)	(203,673)
Net current assets		<u>302,736</u>	<u>287,652</u>
Total assets less current liabilities		<u>7,405,609</u>	<u>7,553,597</u>
Creditors: amounts falling due after more than one year	17	-	(27,500)
Net assets excluding pension liability		<u>7,405,609</u>	<u>7,526,097</u>
Defined benefit pension scheme liability	25	(958,000)	(2,966,000)
Total net assets		<u><u>6,447,609</u></u>	<u><u>4,560,097</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	7,025,761	7,133,330
Restricted income funds	18	62,445	72,519
		<u>7,088,206</u>	<u>7,205,849</u>
Restricted funds excluding pension asset	18	7,088,206	7,205,849
Pension reserve	18	(958,000)	(2,966,000)
Total restricted funds	18	<u>6,130,206</u>	<u>4,239,849</u>
Unrestricted income funds	18	<u>317,403</u>	<u>320,248</u>
Total funds		<u><u>6,447,609</u></u>	<u><u>4,560,097</u></u>

The financial statements on pages 26 to 55 were approved by the Trustees, and authorised for issue on 9/12/22 and are signed on their behalf, by:



Matthew Lockyer
Chair of Trustees

The notes on pages 29 to 55 form part of these financial statements.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	20	45,166	55,746
Cash flows from investing activities	22	9,357	(24,150)
Cash flows from financing activities	21	(27,500)	(27,500)
Change in cash and cash equivalents in the year		27,023	4,096
Cash and cash equivalents at the beginning of the year		439,303	435,207
Cash and cash equivalents at the end of the year	23, 24	<u>466,326</u>	<u>439,303</u>

The notes on pages 29 to 55 form part of these financial statements

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

The Academy had budgeted on having a small surplus for 2022-23 and further surpluses for future years. However, due to greater than budgeted pay awards for all staff and no current government funding plans to bridge the difference, the Academy will need to use its reserves to fund the shortfall. In addition, the Academy is in a position of rising student numbers and is aware of the need to fund additional classrooms and teaching staff to cope with the increased number on roll. The Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 INCOME

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

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

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.4 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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:

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS (CONTINUED)

Freehold property	- 2% - 7% straight-line
Furniture and fixtures	- 20% straight-line
Computer equipment	- 33.3% straight-line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

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 and cash on deposit that has a notice period of less than 30 days.

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1. ACCOUNTING POLICIES (continued)

1.11 TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.12 PENSIONS

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

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

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

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

1.13 FUND ACCOUNTING

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

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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.15 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing Community Learning Partnership (CLP) funds from the Local Authority. Payments received from the Local Authority and subsequent disbursements to Schools are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in Note 30.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Academy Trust 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT (CONTINUED)

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	23,031	75,975	-	99,006	49,658
Capital Grants	-	-	51,899	51,899	17,408
TOTAL 2022	23,031	75,975	51,899	150,905	67,066
TOTAL 2021	20,261	17,497	29,308	67,066	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from charitable activities - Education	3,125	3,467,749	3,470,874	3,182,668
Income from charitable activities - Leisure facilities	270,781	-	270,781	205,729
TOTAL 2022	273,906	3,467,749	3,741,655	3,388,397
TOTAL 2021	204,167	3,184,230	3,388,397	

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. FUNDING FOR THE ACADEMY TRUSTS EDUCATIONAL OPERATIONS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
EDUCATION				
DFE/ESFA GRANTS				
General Annual Grant	-	3,124,982	3,124,982	2,736,618
Other DfE/EFSA grants				
Teachers' Pension Award	-	-	-	104,891
Teachers' Pay Award	-	-	-	37,119
Rates Income	-	9,562	9,562	20,759
Pupil Premium	-	109,422	109,422	91,688
Other grants	-	87,495	87,495	-
	-	3,331,461	3,331,461	2,991,075
OTHER GOVERNMENT GRANTS				
High Needs	-	56,336	56,336	54,755
Other local authority grants	-	30,528	30,528	-
	-	86,864	86,864	54,755
Other income from the Academy Trust's educational operations	3,125	-	3,125	35,438
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	18,245	18,245	43,840
Free School Meals	-	15,921	15,921	21,132
Other DfE/ESFA COVID-19 funding	-	15,258	15,258	31,057
	-	49,424	49,424	96,029
COVID-19 ADDITIONAL FUNDING (NON- DFE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	5,371
	-	-	-	5,371
TOTAL EDUCATION	3,125	3,467,749	3,470,874	3,182,668
	3,125	3,467,749	3,470,874	3,182,668
TOTAL 2021	35,438	3,147,230	3,182,668	

WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	11,139	11,139	9,872
Catering	82,909	82,909	13,885
TOTAL 2022	94,048	94,048	23,757

All prior year income related to unrestricted funds.

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	59	59	56

All prior year income related to unrestricted funds.

8. EXPENDITURE

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
EDUCATION:					
Direct costs	2,615,432	165,817	324,425	3,105,674	2,879,319
Support costs	569,945	212,852	228,780	1,011,577	774,027
Leisure centre:					
Direct costs	-	-	3,809	3,809	2,573
Support costs	208,388	64,187	24,520	297,095	229,964
TOTAL 2022	3,393,765	442,856	581,534	4,418,155	3,885,883
TOTAL 2021	3,022,473	382,080	481,330	3,885,883	

WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Education	3,105,674	1,011,577	4,117,251	3,653,346
Leisure facilities	3,809	297,095	300,904	232,537
TOTAL 2022	3,109,483	1,308,672	4,418,155	3,885,883
TOTAL 2021	2,881,892	1,003,991	3,885,883	

ANALYSIS OF SUPPORT COSTS

	Education 2022 £	Leisure Centre 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	569,945	208,388	778,333	571,393
Depreciation	41,455	-	41,455	48,946
Recruitment and support	12,735	-	12,735	11,840
Maintenance of premises and equipment	74,495	4,574	79,069	64,091
Rent and rates	16,995	1,357	18,352	30,282
Energy costs	55,658	54,557	110,215	63,955
Insurance	11,331	-	11,331	10,904
Security and transport	30,669	-	30,669	20,463
Catering	84,981	53	85,034	67,788
Technology costs	4,692	-	4,692	3,302
Office overheads	18,862	28,166	47,028	42,536
Legal and professional	87,435	-	87,435	32,666
Bank interest and charges	2,324	-	2,324	1,197
Governance costs	-	-	-	34,628
TOTAL 2022	1,011,577	297,095	1,308,672	1,003,991
TOTAL 2021	774,027	229,964	1,003,991	

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. NET EXPENDITURE

Net expenditure for the year includes:

	2022	2021
	£	£
Operating lease rentals	30,606	23,193
Depreciation of tangible fixed assets	207,273	244,208
Fees paid to auditors for:		
- audit	9,000	8,200
- other services	2,185	2,030
	<u>248,064</u>	<u>277,631</u>

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	2,377,282	2,099,985
Social security costs	198,076	180,562
Pension costs	787,539	661,974
	<u>3,362,897</u>	<u>2,942,521</u>
Agency staff costs	30,868	39,700
Staff restructuring costs	-	40,252
	<u><u>3,393,765</u></u>	<u><u>3,022,473</u></u>

b. STAFF NUMBERS

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

	2022	2021
	No.	No.
Teachers	42	33
Administration and Support	44	45
Management	8	5
	<u>94</u>	<u>83</u>

The average headcount expressed as full-time equivalents was:

	2022	2021
	No.	No.
Teachers	33	30
Administration and Support	33	31
Management	8	4
	<u>74</u>	<u>65</u>

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2022	2021
	No.	No.
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	1
	<u>1</u>	<u>1</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £584,154 (2021: £529,067).

The increase from 2021 to 2022 is due to pay awards received as well as a full year for Maz Turner in the 2022 financial year.

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any benefits in kind (2021: £Nil).

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: G Swallow: Remuneration £75,000 - £80,000 (2021: £70,000 - £75,000), Employer's pension contributions £15,000 - £20,000 (2021: £15,000 - £20,000), A Gurowich: Remuneration £15,000 - £20,000 (2021: £15,000 - £20,000), Employer's pension contributions £0 - £5,000 (2021: £0 - £5,000), R Cleave: Remuneration £45,000 - £50,000 (2021: £Nil), Employer's pension contributions £10,000 - £15,000 (2021: £0 - £5,000).

During the year ended 31 August 2022, expenses totalling £123 were reimbursed or paid directly to 1 Trustee (2021 - £Nil to no trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 September 2021	8,611,464	478,986	215,415	9,305,865
Additions	35,294	-	8,907	44,201
Disposals	-	-	(1,600)	(1,600)
At 31 August 2022	<u>8,646,758</u>	<u>478,986</u>	<u>222,722</u>	<u>9,348,466</u>
DEPRECIATION				
At 1 September 2021	1,416,409	410,850	212,661	2,039,920
Charge for the year	157,348	38,404	11,521	207,273
On disposals	-	-	(1,600)	(1,600)
At 31 August 2022	<u>1,573,757</u>	<u>449,254</u>	<u>222,582</u>	<u>2,245,593</u>
NET BOOK VALUE				
At 31 August 2022	<u>7,073,001</u>	<u>29,732</u>	<u>140</u>	<u>7,102,873</u>
At 31 August 2021	<u>7,195,055</u>	<u>68,136</u>	<u>2,754</u>	<u>7,265,945</u>

The value of land not depreciated during the year was £1,224,840 (2021: £1,224,840).

15. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Prepayments and accrued income	93,216	49,305
VAT recoverable	3,448	2,717
	<u>96,664</u>	<u>52,022</u>

**WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
ESFA Loans	27,500	27,500
Trade creditors	71,376	20,577
Other taxation and social security	53,031	45,712
Other creditors	79,769	78,502
Accruals and deferred income	28,578	31,382
	<u>260,254</u>	<u>203,673</u>
	2022	2021
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2021	8,243	12,872
Resources deferred during the year	12,813	8,243
Amounts released from previous periods	(8,243)	(12,872)
	<u>12,813</u>	<u>8,243</u>

At the balance sheet date the Academy Trust was holding funds received in advance for rates relief income.

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

	2022	2021
	£	£
ESFA Loans	-	27,500
	<u>-</u>	<u>27,500</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022	2021
	£	£
Repayable by instalments	-	27,500
	<u>-</u>	<u>27,500</u>

The ESFA loan balance included in creditors: amounts falling due after more than one year represents the balance due, by instalments, to the ESFA for the loan element of the ACMF funding received for the boiler project. No interest is chargeable on this balance.

WHITSTONE SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General Funds	202,633	391,044	(381,135)	(10,000)	-	202,542
Unrestricted fixed assets	77,615	-	(12,754)	-	-	64,861
Astro-turf pitch sinking fund	40,000	-	-	10,000	-	50,000
	320,248	391,044	(393,889)	-	-	317,403
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	72,519	3,124,982	(3,100,006)	(35,050)	-	62,445
Rates Income	-	9,562	(9,562)	-	-	-
Pupil Premium	-	109,422	(109,422)	-	-	-
High Needs	-	56,336	(56,336)	-	-	-
COVID-19 Additional Funding DfE/ESFA	-	106,470	(106,470)	-	-	-
Educational Trips	-	75,975	(75,975)	-	-	-
Free School Meals	-	15,921	(15,921)	-	-	-
National Tutoring Programme	-	14,378	(14,378)	-	-	-
Other Local Authority Funding	-	30,678	(30,678)	-	-	-
Pension reserve	(2,966,000)	-	(311,000)	-	2,319,000	(958,000)
	(2,893,481)	3,543,724	(3,829,748)	(35,050)	2,319,000	(895,555)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	5,528,364	-	(107,696)	-	-	5,420,668
Fixed assets purchased from GAG	142,439	-	(22,874)	35,050	-	154,615
DfE/ESFA capital grants	1,235,249	13,053	(54,748)	-	-	1,193,554
Funded by Local Authority	173,148	-	-	-	-	173,148

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18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Other capital grants and donations	54,130	38,846	(9,200)	-	-	83,776
	<u>7,133,330</u>	<u>51,899</u>	<u>(194,518)</u>	<u>35,050</u>	<u>-</u>	<u>7,025,761</u>
TOTAL RESTRICTED FUNDS	<u>4,239,849</u>	<u>3,595,623</u>	<u>(4,024,266)</u>	<u>-</u>	<u>2,319,000</u>	<u>6,130,206</u>
TOTAL FUNDS	<u><u>4,560,097</u></u>	<u><u>3,986,667</u></u>	<u><u>(4,418,155)</u></u>	<u><u>-</u></u>	<u><u>2,319,000</u></u>	<u><u>6,447,609</u></u>

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

UNRESTRICTED FUNDS

General Funds - Funds that are freely available for general purposes.

Unrestricted fixed assets - Fixed assets purchased from unrestricted general funds. This is represented by a transfer of funds.

Astro-turf pitch sinking fund - Designated reserve fund for the astro-turf pitch for replacement in 2030.

RESTRICTED FUNDS

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Teachers' Pension Award and Teachers' Pay Award - funding to provide support for academies with respect to the teachers' pay awards.

Rates Income - fundings received to support with rates.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

COVID-19 additional fundings DFE/ESFA - this represents free school meals fundings, the covid catch-up premium and other ESFA exceptional funding.

Curriculum trips - This represents income specifically received for the provision of educational trips.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

18. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG - This represents funds transferred from the restricted GAG fund to purchases fixed assets. The fixed asset fund balance at the year end represents the Net Book Value of assets.

DfE/ESFA Capital Grants – These funds are received from the DfE/ESFA for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Funded by Local Authority - Works funded by Somerset County Council to provide and enhance disabled access at the Academy.

Other capital grants and donations - These funds were received from third parties for direct expenditure on fixed asset projects.

The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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18. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General Funds	287,016	248,241	(332,624)	-	-	202,633
Unrestricted fixed assets	90,369	-	(12,754)	-	-	77,615
Astro-turf pitch sinking fund	30,000	-	-	10,000	-	40,000
	<u>407,385</u>	<u>248,241</u>	<u>(345,378)</u>	<u>10,000</u>	<u>-</u>	<u>320,248</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	2,736,618	(2,618,942)	(45,157)	-	72,519
Teachers' Pension Award	-	104,891	(104,891)	-	-	-
Teachers' Pay Award	-	37,119	(37,119)	-	-	-
Rates Income	-	20,759	(20,759)	-	-	-
Pupil Premium	-	91,688	(91,688)	-	-	-
High Needs	-	54,755	(54,755)	-	-	-
COVID-19 Additional Funding DFE/ESFA	-	96,029	(96,029)	-	-	-
Coronavirus Job Retention Scheme grant	-	42,371	(42,371)	-	-	-
Educational Trips	-	17,497	(17,497)	-	-	-
Pension reserve	(2,646,000)	-	(225,000)	-	(95,000)	(2,966,000)
	<u>(2,646,000)</u>	<u>3,201,727</u>	<u>(3,309,051)</u>	<u>(45,157)</u>	<u>(95,000)</u>	<u>(2,893,481)</u>
	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED FIXED ASSET FUNDS						

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18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Fixed assets transferred on conversion	5,636,061	-	(107,697)	-	-	5,528,364
Fixed assets purchased from GAG	162,623	-	(20,184)	-	-	142,439
DfE/ESFA capital grants	1,269,807	24,658	(94,373)	35,157	-	1,235,249
Funded by Local Authority	173,148	-	-	-	-	173,148
Other capital grants and donations	58,680	4,650	(9,200)	-	-	54,130
	<u>7,300,319</u>	<u>29,308</u>	<u>(231,454)</u>	<u>35,157</u>	<u>-</u>	<u>7,133,330</u>
TOTAL RESTRICTED FUNDS	<u>4,654,319</u>	<u>3,231,035</u>	<u>(3,540,505)</u>	<u>(10,000)</u>	<u>(95,000)</u>	<u>4,239,849</u>
TOTAL FUNDS	<u>5,061,704</u>	<u>3,479,276</u>	<u>(3,885,883)</u>	<u>-</u>	<u>(95,000)</u>	<u>4,560,097</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	49,612	-	7,053,261	7,102,873
Current assets	500,545	62,445	-	562,990
Creditors due within one year	(232,754)	-	(27,500)	(260,254)
Provisions for liabilities and charges	-	(958,000)	-	(958,000)
TOTAL	<u>317,403</u>	<u>(895,555)</u>	<u>7,025,761</u>	<u>6,447,609</u>

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	77,615	-	7,188,330	7,265,945
Current assets	418,806	72,519	-	491,325
Creditors due within one year	(176,173)	-	(27,500)	(203,673)
Creditors due in more than one year	-	-	(27,500)	(27,500)
Provisions for liabilities and charges	-	(2,966,000)	-	(2,966,000)
TOTAL	320,248	(2,893,481)	7,133,330	4,560,097

20. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(431,488)	(406,607)
ADJUSTMENTS FOR:		
Depreciation	205,673	244,208
Capital grants from DfE and other capital income	(51,899)	(12,758)
Interest receivable	(59)	(56)
Defined benefit pension scheme cost less contributions payable	262,000	182,000
Defined benefit pension scheme finance cost	49,000	43,000
(Increase)/decrease in debtors	(44,642)	8,233
Increase/(decrease) in creditors	56,581	(2,274)
NET CASH PROVIDED BY OPERATING ACTIVITIES	45,166	55,746

21. CASH FLOWS FROM FINANCING ACTIVITIES

	2022 £	2021 £
Repayments of borrowing	(27,500)	(27,500)
NET CASH USED IN FINANCING ACTIVITIES	(27,500)	(27,500)

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22. CASH FLOWS FROM INVESTING ACTIVITIES

	2022 £	2021 £
Interest received	59	56
Purchase of tangible assets	(42,601)	(36,964)
Capital grants from DfE Group	51,899	12,758
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	9,357	(24,150)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand and at bank	466,326	439,303
TOTAL CASH AND CASH EQUIVALENTS	466,326	439,303

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	439,303	27,023	466,326
Debt due within 1 year	(27,500)	-	(27,500)
Debt due after 1 year	(27,500)	27,500	-
	384,303	54,523	438,826

25. PENSION COMMITMENTS

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

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

Contributions amounting to £58,144 were payable to the schemes at 31 August 2022 (2021 - £54,802) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £358,000 (2021 - £331,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

25. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £208,000 (2021 - £185,000), of which employer's contributions totalled £166,000 (2021 - £148,000) and employees' contributions totalled £ 42,000 (2021 - £37,000). The agreed contribution rates for future years are 23.7% per cent for employers and 5.5%-12.5% per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

	2022 %	2021 %
Rate of increase in salaries	4.45	4.4
Rate of increase for pensions in payment/inflation	2.95	2.9
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.95	2.9

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

	2022 Years	2021 Years
RETIRING TODAY		
Males	23.1	23.1
Females	24.7	24.6
RETIRING IN 20 YEARS		
Males	24.5	24.4
Females	26.1	26.1

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25. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2022	2021
	£000	£000
Discount rate +0.1%	(74)	(121)
Discount rate -0.1%	76	124
Mortality assumption - 1 year increase	99	221
Mortality assumption - 1 year decrease	(96)	(110)
CPI rate +0.1%	72	100
CPI rate -0.1%	(70)	(99)

SHARE OF SCHEME ASSETS

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities and gilts	1,852,000	1,850,000
Other bonds	214,000	246,000
Property	217,000	169,000
Cash and other liquid assets	106,000	94,000
TOTAL MARKET VALUE OF ASSETS	2,389,000	2,359,000

The actual return/(loss) on scheme assets was £(89,000) (2021 - £396,000).

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

	2022	2021
	£	£
Current service cost	(428,000)	(330,000)
Interest income	38,000	29,000
Interest cost	(87,000)	(72,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(477,000)	(373,000)

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25. PENSION COMMITMENTS (CONTINUED)

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

	2022 £	2021 £
Current service cost	428,000	330,000
Interest cost	87,000	72,000
Employee contributions	42,000	37,000
Actuarial (gains)/losses	(2,448,000)	461,000
Benefits paid	(87,000)	(60,000)
AT 31 AUGUST	(1,978,000)	840,000

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

	2022 £	2021 £
Interest income	40,000	29,000
Actuarial (losses)/gains	(129,000)	366,000
Employer contributions	166,000	148,000
Employee contributions	42,000	37,000
Benefits paid	(87,000)	(60,000)
Admin Expenses	(2,000)	-
AT 31 AUGUST	30,000	520,000

26. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Within 1 year	63,595	27,491
Between 1 and 5 years	133,144	46,423
	196,739	73,914

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.

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28. GENERAL INFORMATION

Whitstone School Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Whitstone School, Charlton Road, Shepton Mallet, Somerset, BA4 5PF.

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors 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 in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related transactions.

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 12.

30. AGENCY ARRANGEMENTS

The Academy Trust distributes funds to Schools as an agent for the Local Authority. In the accounting period ended 31 August 2022 the Academy Trust received £7,940 (2021: £23,491) and disbursed £10,046 (2021: £Nil) from the fund. An amount of £21,385 (2021: £23,491) is included in other creditors relating to undistributed funds that are payable to the Schools.

