

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**CONTENTS**

---

	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3
<b>Governance Statement</b>	13 - 17
<b>Statement on Regularity, Propriety and Compliance</b>	18
<b>Statement of Trustees' Responsibilities</b>	19
<b>Independent Auditors' Report on the Financial Statements</b>	20 - 22
<b>Independent Reporting Accountant's Report on Regularity</b>	23 - 24
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	25
<b>Balance Sheet</b>	26
<b>Statement of Cash Flows</b>	27
<b>Notes to the Financial Statements</b>	28 - 55

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

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	Kate Lovell James Millward Gill Rennard Philip Eavis
<b>Trustees</b>	Gill Rennard (resigned 31 December 2019) <sup>1,2</sup> Richard Cleave (appointed 30 March 2020) James Millward, Chair of Trustees <sup>1,2,3</sup> Philip Eavis <sup>1,2</sup> William Wai Chun Leung (appointed 30 June 2020) Kate Lovell, Vice Chair <sup>1,2,3</sup> Stuart Byrne <sup>1,2,3</sup> Lynne Elstob, Staff Trustee <sup>1,3</sup> Anna Gurowich, Staff Trustee <sup>2</sup> Elliot Hill (appointed 30 June 2020) Karen Louise Ransted (appointed 30 June 2020) Anita Johnson (resigned 31 August 2020) <sup>2</sup> John Parham <sup>1,2</sup> Zena Pollard (resigned 20 September 2020) <sup>1,3</sup> Miranda Roberts (resigned 31 December 2019) <sup>2</sup> Guy David Swallow, Headteacher (appointed 1 January 2020) <sup>1,2</sup> Matthew Lockyer (appointed 10 September 2019)
	<sup>1</sup> Business and Finance committee <sup>2</sup> Teaching and Learning committee <sup>3</sup> Appraisal and Pay Committee
<b>Company registered number</b>	07706741
<b>Company name</b>	Whitstone School Academy Trust
<b>Principal and Registered office</b>	Charlton Road Shepton Mallet Somerset BA4 5PF
<b>Company secretary</b>	Ruth Sayer
<b>Accounting Officer</b>	Guy Swallow
<b>Senior management team</b>	Gill Rennard, Headteacher (resigned 31 December 2019) Guy Swallow, Headteacher (appointed 1 Jan 2020) Giles Atkins, Deputy Headteacher Jacqui Ackroyd, Deputy Headteacher (resigned 30 April 2020) Devlina Main, Business Manager Ian Law, Assistant Headteacher (resigned 31 July 2020)

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

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

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

**Bankers** HSBC  
1 Market Place  
Wells  
BA5 2RN  
  
Lloyds  
64 Fore Street  
Trowbridge  
BA14 5AD

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

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

**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2020. 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 548 in the school census on 1 October 2020.

**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.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

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.

**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 pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the 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 3 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.

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, two Deputy Headteachers, Assistant Headteacher and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. 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 Governors 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 authorised by the Headteacher. The Headteacher is responsible for the appointment of staff and appointment panels for senior teaching posts will include a Governor.

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
<b>1</b>	<b>1</b>

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	<b>1</b>
1%-50%	-
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	<b>£-</b>
Provide the total pay bill	<b>£2,862,055</b>
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	-%

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**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	-%
--	----

**Related Parties and other Connected Charities and Organisations**

Shepton Mallet Leisure Centre forms part of the Academy's facilities and is being managed and run by the School since 22<sup>nd</sup> April 2016. Willow Nursery is an independent charity which occupies part of the Academy's site.

The Academy has strong collaborative links with 7 feeder 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 2020 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra curricular activities.
- to develop students as more effective learners.
- to develop the Academy site so that it enables students to achieve their full potential.
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- to maximise the number of students who achieve a positive Progress 8 score.
- to provide value for money for the funds expended.
- to fulfil the role of a teaching school.
- 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.



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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

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.

**Objectives, Strategies and Activities**

Key priorities for the year are contained in our School Improvement Plan which is available from the School Office. Improvement focuses identified for this year include:

- Develop the teaching and support of students with SEND through quality first teaching, clear and focused interventions and a wide range of CPD for all staff.
- Improve the progress of FSM students through a range of strategies and by increasing the staffing capacity in this area.
- Improve the quality of teaching and learning at Whitstone School through the training and subsequent deployment of coaches.
- Ensure that leaders within school have clearly defined roles which they are aware of and can carry out to a high standard.
- Develop the quality of reading across all years through a co-ordinated Aspire Programme.

Key activities and targets were 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:

- Review of SEN support across Somerset and also nationally.
- A review of research and good practice with regards to the development of reading amongst students.
- review of numeracy, literacy and ICT capability.
- review of staffing levels in the light of budgetary pressure.
- continued development of systems for tracking and monitoring student progress.

**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 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.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**STRATEGIC REPORT  
ACHIEVEMENTS AND PERFORMANCE**

The Trustees successfully managed a rigorous selection process for the new Headteacher from 1<sup>st</sup> January 2020 following Ms. Rennard's retirement on 31<sup>st</sup> December 2019 after 9 years' service. In February, the decision was made to restructure the Senior Leadership Team to reduce the 'top heavy' nature of the school and reduce the number of Deputy Headteachers from two to one. This resulted in a newly formed SLT, which was better positioned to meet the challenges posed by the historic results achieved by the School, whilst also making economic sense.

The results achieved by the School's Year 11 students were impacted upon by the Covid-19 pandemic and the subsequent cancellation of exams. Despite this, the School achieved an estimated Progress 8 score of 0.01. These results, despite being unusual in their creation, highlighted the efforts of staff and students. They also displayed a considerable uplift on previous years.

Despite the positive improvement seen in the Centre Assessed Grades, the progress and performance of SEND students and those in receipt of free school meals continues to be a concern. These two sub-groups, along with the progress of boys, are a real focus for the coming year.

The number of fixed-term exclusions rose during the course of the year, as a result of the drive to improve standards of behaviour for learning in classrooms and around the school site. This mirrored the introduction of a new behaviour for learning policy which emphasised the importance of students taking responsibility for their own choices.

A key part of the School's work during the second half of the past year has been on developing CPD within school and ensuring that all staff have an extensive package of professional development that improves their practice and provides them with the ability to undertake greater responsibility.

The development of the School's site has been a welcome and exciting project. This has involved the local community through stunning murals in each entrance way, the painting of corridors and the reorganisation of some classrooms within the existing buildings. The developments to the School site make sense in terms of the development of teaching and learning and the delivery of inspiring lessons.

The Leisure Centre has seen a challenging year, with the Covid-19 pandemic impacting upon memberships as a result of the extended closure of the centre. Careful management of the Leisure Centre through the Covid-19 lockdown ensured that the number of members steadied and, whilst the future looks uncertain, there is a loyal base of local support.

**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, no GAG was carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2020 were 548, an increase of 20 over 2019. It is anticipated that this number will continue to rise. Student attendance was 94% (target 96%) and exam success showed an actual Progress 8 of 0.01 (target 0).

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**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 2020 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 2020, the Academy received total income of £3,351,080 and incurred total expenditure of £3,313,306. The excess of income over expenditure for the year was £37,774.

At 31 August 2020 the net book value of fixed assets was £7,473,189 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 26 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 Governors 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 Governors 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.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

Following the finalisation of the annual accounts for 2020 the Governors 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 2020, the Academy Trust had unrestricted free reserves (not including fixed assets purchased using unrestricted funds) of £287,016.

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: £30,000 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 school's budget in terms of supply teacher costs for staff who have had to self-isolate and cost of cleaning and PPE resources for the whole school. The pandemic has also 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.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

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.

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 24 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.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**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.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

James Millward, a trustee of the Academy was appointed Trustee of the Shepton Mallet Recreational Trust in June 2018. This charity distributed all their assets in July 2020.

**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.

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.

Approved by order of the members of the Board of Trustees on 13 December 2020 and signed on their behalf, by:

**James Millward**  
Chair of Trustees

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

**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.

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

**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 5 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
Gill Rennard	3	3
Richard Cleave	2	2
James Millward, Chair of Trustees	5	5
Philip Eavis	5	5
William Wai Chun Leung	1	1
Kate Lovell, Vice Chair	5	5
Stuart Byrne	2	5
Lynne Elstob, Staff Trustee	4	5
Anna Gurowich, Staff Trustee	5	5
Elliot Hill	0	1
Karen Louise Ransted	1	1
Anita Johnson	5	5
John Parham	3	5
Zena Pollard	4	5
Miranda Roberts	3	3
Guy David Swallow, Headteacher	2	2
Matthew Lockyer	2	2

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 governors in the future.

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

- Assist the decision making of the Board of Governors, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Governors' 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 Governors.
- 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 Governors.
- 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 Governors action as appropriate in response to audit findings.
- To recommend to the Board of Governors 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
Gill Rennard	1	1
James Millward	0	1
Philip Eavis	1	1
Kate Lovell	0	1
Stuart Byrne	1	1
Lynne Elstob	1	1
John Parham	1	1
Zena Pollard	1	1
Matt Lockyer	1	1

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

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

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)**

- 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.

**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 2019 to 31 August 2020 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 2019 to 31 August 2020 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

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

**GOVERNANCE STATEMENT (CONTINUED)**

---

**The risk and control framework (continued)**

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint 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.

On a quarterly basis, the internal auditor reports to the Board of Trustees through the audit 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:

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit 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 13 December 2020 and signed on their behalf by:

**James Millward**  
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 2019.

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 2019.

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

**Guy Swallow**  
Accounting Officer

Date: 13 December 2020

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 13 December 2020 and signed on its behalf by:

**James Millward**  
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 2020 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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**

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

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

**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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**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.

**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)**

---

**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.

**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.

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](http://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.

**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

18 January 2021



**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 28 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Whitstone School Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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: 18 January 2021

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	4	58,336	49,197	12,539	120,072	78,222
Charitable activities	5,6	263,484	2,938,045	-	3,201,529	3,010,641
Other trading activities	7	41,381	-	-	41,381	49,834
Investments	8	637	-	-	637	1,000
<b>Total income</b>		<b>363,838</b>	<b>2,987,242</b>	<b>12,539</b>	<b>3,363,619</b>	<b>3,139,697</b>
<b>Expenditure on:</b>						
Charitable activities		336,818	3,128,785	235,191	3,700,794	3,510,882
<b>Total expenditure</b>	9	<b>336,818</b>	<b>3,128,785</b>	<b>235,191</b>	<b>3,700,794</b>	<b>3,510,882</b>
<b>Net income/(expenditure)</b>		<b>27,020</b>	<b>(141,543)</b>	<b>(222,652)</b>	<b>(337,175)</b>	<b>(371,185)</b>
Transfers between funds	19	-	(46,457)	46,457	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>27,020</b>	<b>(188,000)</b>	<b>(176,195)</b>	<b>(337,175)</b>	<b>(371,185)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	26	-	(397,000)	-	(397,000)	(291,000)
<b>Net movement in funds</b>		<b>27,020</b>	<b>(585,000)</b>	<b>(176,195)</b>	<b>(734,175)</b>	<b>(662,185)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		380,365	(2,061,000)	7,476,514	5,795,879	6,458,064
Net movement in funds		27,020	(585,000)	(176,195)	(734,175)	(662,185)
<b>Total funds carried forward</b>		<b>407,385</b>	<b>(2,646,000)</b>	<b>7,300,319</b>	<b>5,061,704</b>	<b>5,795,879</b>

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

The notes on pages 28 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 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	15	7,473,189	7,689,638
<b>Current assets</b>			
Debtors	16	60,255	66,997
Cash at bank and in hand		435,207	379,075
		<u>495,462</u>	<u>446,072</u>
Creditors: amounts falling due within one year	17	(205,947)	(194,331)
<b>Net current assets</b>		<u>289,515</u>	251,741
<b>Total assets less current liabilities</b>		<u>7,762,704</u>	<u>7,941,379</u>
Creditors: amounts falling due after more than one year	18	(55,000)	(82,500)
<b>Net assets excluding pension liability</b>		<u>7,707,704</u>	7,858,879
Defined benefit pension scheme liability	26	(2,646,000)	(2,063,000)
<b>Total net assets</b>		<u><u>5,061,704</u></u>	<u><u>5,795,879</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	7,300,319	7,476,514
Restricted income funds	19	-	2,000
		<u>7,300,319</u>	<u>7,478,514</u>
Restricted funds excluding pension asset	19	7,300,319	7,478,514
Pension reserve	19	(2,646,000)	(2,063,000)
<b>Total restricted funds</b>	19	<u>4,654,319</u>	5,415,514
<b>Unrestricted income funds</b>	19	407,385	380,365
<b>Total funds</b>		<u><u>5,061,704</u></u>	<u><u>5,795,879</u></u>

The financial statements on pages 25 to 55 were approved by the Trustees, and authorised for issue on 13 December 2020 and are signed on their behalf, by:

**James Millward**  
Chair of Trustees

The notes on pages 28 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 2020

---

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	<b>101,952</b>	(18,666)
<b>Cash flows from investing activities</b>	23	<b>(18,320)</b>	(23,914)
<b>Cash flows from financing activities</b>	22	<b>(27,500)</b>	(27,500)
<b>Change in cash and cash equivalents in the year</b>		<b>56,132</b>	(70,080)
Cash and cash equivalents at the beginning of the year		<b>379,075</b>	449,155
<b>Cash and cash equivalents at the end of the year</b>	24, 25	<b>435,207</b>	379,075

The notes on pages 28 to 55 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1. Accounting policies**

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

**1.1 BASIS OF PREPARATION 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

**1.2 GOING CONCERN**

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

The Academy is budgeting to have a cash deficit which is a lagged funding issue. The academy is working hard on efficiencies and cost savings and is working closely with the ESFA who will provide support if needed. After making appropriate enquiries with the ESFA, the Board of Trustees 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1. Accounting policies (continued)**

**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.

**1.4 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1. Accounting policies (continued)**

**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:



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1. Accounting policies (continued)**

**1.6 TANGIBLE FIXED ASSETS (continued)**

Freehold property	- 2% - 7% straight-line
Furniture and fixtures	- 20% straight-line
Plant and 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 16. Prepayments are not financial instruments.

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

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**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 2020**

---

**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 Mendip Support School Alliance 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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.

**3. General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2020 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2020.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**4. Income from donations and capital grants**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	58,336	49,197	-	<b>107,533</b>	41,043
Capital Grants	-	-	12,539	<b>12,539</b>	37,179
<b>Total 2020</b>	58,336	49,197	12,539	<b>120,072</b>	78,222
Total 2019	3,144	37,899	37,179	78,222	

I

**5. Income from charitable activities**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from charitable activities - Education	48,129	2,938,045	<b>2,986,174</b>	2,689,218
Income from charitable activities - Leisure facilities	215,355	-	<b>215,355</b>	321,423
	263,484	2,938,045	<b>3,201,529</b>	3,010,641
Total 2019	399,350	2,611,291	3,010,641	

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**6. Funding for the Academy Trust's educational operations**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
<b>DfE/ESFA grants</b>				
General Annual Grant	-	2,718,434	<b>2,718,434</b>	2,458,412
Other DfE/EFSA grants	-	116,178	<b>116,178</b>	118,972
	-	2,834,612	<b>2,834,612</b>	2,577,384
<b>Other Government grants</b>				
High Needs	-	46,387	<b>46,387</b>	28,847
Exceptional government funding	-	57,046	<b>57,046</b>	-
	-	103,433	<b>103,433</b>	28,847
<b>Other funding</b>				
Internal catering income	44,993	-	<b>44,993</b>	73,555
Other	3,136	-	<b>3,136</b>	9,432
	48,129	-	<b>48,129</b>	82,987
<b>Total 2020</b>	<b>48,129</b>	<b>2,938,045</b>	<b>2,986,174</b>	<b>2,689,218</b>
Total 2019	77,927	2,611,291	2,689,218	

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'Exceptional government funding'.

**7. Income from other trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Lettings	15,437	<b>15,437</b>	14,828
Catering	25,944	<b>25,944</b>	35,006
<b>Total 2020</b>	<b>41,381</b>	<b>41,381</b>	<b>49,834</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**7. Income from other trading activities (continued)**

All prior year income related to unrestricted funds.

**8. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Bank interest	637	<b>637</b>	1,000
	<u>637</u>	<u><b>637</b></u>	<u>1,000</u>

All prior year income related to unrestricted funds.

**9. Expenditure**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Education:					
Direct costs	2,295,441	195,511	198,144	<b>2,689,096</b>	2,436,877
Support costs	397,265	128,869	245,038	<b>771,172</b>	783,152
Leisure centre:					
Direct costs	-	-	2,672	<b>2,672</b>	6,871
Support costs	169,349	59,310	9,195	<b>237,854</b>	283,982
<b>Total 2020</b>	<u>2,862,055</u>	<u>383,690</u>	<u>455,049</u>	<u><b>3,700,794</b></u>	<u>3,510,882</u>
Total 2019	<u>2,629,956</u>	<u>365,336</u>	<u>515,590</u>	<u>3,510,882</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Education	2,689,096	771,172	<b>3,460,268</b>	3,220,029
Leisure centre	2,672	237,854	<b>240,526</b>	290,853
<b>Total 2020</b>	<u>2,691,768</u>	<u>1,009,026</u>	<u><b>3,700,794</b></u>	<u>3,510,882</u>
Total 2019	<u>2,443,748</u>	<u>1,067,134</u>	<u>3,510,882</u>	

**Analysis of direct costs**

	<b>Education 2020 £</b>	<b>Leisure Centre 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Pension finance cost	38,000	-	<b>38,000</b>	41,000
Staff costs	2,263,489	-	<b>2,263,489</b>	2,024,722
Depreciation	195,511	-	<b>195,511</b>	193,917
Educational supplies	56,344	2,672	<b>59,016</b>	69,640
Examination fees	30,452	-	<b>30,452</b>	29,009
Staff development	4,900	-	<b>4,900</b>	5,464
Other costs	68,448	-	<b>68,448</b>	60,082
Supply teachers	31,952	-	<b>31,952</b>	19,914
<b>Total 2020</b>	<u>2,689,096</u>	<u>2,672</u>	<u><b>2,691,768</b></u>	<u>2,443,748</u>
Total 2019	<u>2,436,877</u>	<u>6,871</u>	<u>2,443,748</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Education 2020 £</b>	<b>Leisure Centre 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Staff costs	397,265	169,349	<b>566,614</b>	585,320
Depreciation	52,434	-	<b>52,434</b>	56,362
Recruitment and support	6,874	-	<b>6,874</b>	6,371
Maintenance of premises and equipment	51,247	1,379	<b>52,626</b>	56,318
Cleaning	892	-	<b>892</b>	-
Rent and rates	24,857	9,272	<b>34,129</b>	29,627
Energy costs	40,154	30,558	<b>70,712</b>	72,001
Insurance	11,037	-	<b>11,037</b>	9,940
Security and transport	23,304	-	<b>23,304</b>	27,305
Catering	57,091	1,304	<b>58,395</b>	83,996
Technology costs	4,672	-	<b>4,672</b>	7,106
Office overheads	34,114	25,992	<b>60,106</b>	65,180
Legal and professional	35,962	-	<b>35,962</b>	35,687
Bank interest and charges	1,998	-	<b>1,998</b>	2,881
Governance costs	29,271	-	<b>29,271</b>	29,040
<b>Total 2020</b>	<u>771,172</u>	<u>237,854</u>	<u><b>1,009,026</b></u>	<u>1,067,134</u>
<b>Total 2019</b>	<u>783,152</u>	<u>283,982</u>	<u>1,067,134</u>	



WHITSTONE SCHOOL ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

---

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	<b>2020</b>	2019
	£	£
Operating lease rentals	<b>27,339</b>	45,743
Depreciation of tangible fixed assets	<b>247,945</b>	241,621
Fees paid to auditors for:		
- audit	<b>7,185</b>	7,050
- other services	<b>2,005</b>	1,790
	<b>=====</b>	<b>=====</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,973,587	1,956,664
Social security costs	176,865	167,591
Pension costs	588,426	485,787
	2,738,878	2,610,042
Agency staff costs	31,952	19,914
Staff restructuring costs	91,225	-
	2,862,055	2,629,956

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £91,225 (2019: nil). Individually, the payments were £15,667, £30,000, £13,000, £1,200 and £2,675.

**c. Staff numbers**

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

	2020 No.	2019 No.
Teachers	32	30
Administration and Support	47	48
Management	3	5
	82	83
	82	83

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	28	26
Administration and Support	33	33
Management	3	5
	64	64
	64	64

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**12. Staff (continued)**

**d. Higher paid staff**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>4</b>	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	<b>1</b>	-
	<b>=====</b>	<b>=====</b>

**e. 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 £406,593 (2019 £368,021). This amount is higher than normal partly due to increased teachers' pension contributions and also due to restructure of SLT and will be at a reduced level for future years.

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any benefits in kind (2019: £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 £45,000 - £50,000 (2019: Nil), Employer's pension contributions £5,000 - £10,000 (2019: Nil), G Rennard: Remuneration £25,000 - £30,000 (2019: £75,000 - £80,000) Employer's pension contributions £5,000 - £10,000 (2019: £10,000 - £15,000), A Gurowich: Remuneration £15,000 - £20,000 (2019: £20,000 - £25,000), Employer's pension contributions £0 - £5,000 (2019: £0 - £5,000), M Roberts: Remuneration: £10,000 - £15,000 (2019: £35,000 - £40,000), Employer's pension contributions £0 - £5,000 (2019: £5,000 - £10,000), R Cleave: Remuneration £45,000 - £50,000 (2019: Nil), Employer's pension contributions £10,000 - £15,000 (2019: Nil).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

**14. 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 2020**

**15. Tangible fixed assets**

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2019	8,611,464	431,626	194,315	9,237,405
Additions	-	26,946	4,550	31,496
At 31 August 2020	8,611,464	458,572	198,865	9,268,901
<b>Depreciation</b>				
At 1 September 2019	1,103,090	271,701	172,976	1,547,767
Charge for the year	156,660	73,443	17,842	247,945
At 31 August 2020	1,259,750	345,144	190,818	1,795,712
<b>Net book value</b>				
At 31 August 2020	7,351,714	113,428	8,047	7,473,189
At 31 August 2019	7,508,374	159,925	21,339	7,689,638

The value of land not depreciated during the year was £1,224,840 (2019: £1,244,840).

**16. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Prepayments and accrued income	55,985	64,175
VAT recoverable	4,270	2,822
	60,255	66,997

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**17. Creditors: Amounts falling due within one year**

	2020 £	2019 £
ESFA Loans	27,500	27,500
Trade creditors	21,539	48,502
Other taxation and social security	45,379	41,938
Other creditors	47,682	42,971
Accruals and deferred income	63,847	33,420
	<b>205,947</b>	<b>194,331</b>
	<b>205,947</b>	<b>194,331</b>

	2020 £	2019 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2019	12,671	12,395
Resources deferred during the year	12,872	12,671
Amounts released from previous periods	(12,671)	(12,395)
	<b>12,872</b>	<b>12,671</b>
	<b>12,872</b>	<b>12,671</b>

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

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

	2020 £	2019 £
ESFA Loans	55,000	82,500
	<b>55,000</b>	<b>82,500</b>

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

	2020 £	2019 £
Repayable by instalments	55,000	82,500
	<b>55,000</b>	<b>82,500</b>
	<b>55,000</b>	<b>82,500</b>

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 2020**

**19. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General Funds	257,242	363,838	(324,064)	(10,000)	-	287,016
Unrestricted fixed assets	103,123	-	(12,754)	-	-	90,369
Astro-turf pitch sinking fund	20,000	-	-	10,000	-	30,000
	<u>380,365</u>	<u>363,838</u>	<u>(336,818)</u>	<u>-</u>	<u>-</u>	<u>407,385</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	2,718,434	(2,671,977)	(46,457)	-	-
High Needs	-	46,387	(46,387)	-	-	-
Pupil Premium	-	94,312	(94,312)	-	-	-
Donations	2,000	-	(2,000)	-	-	-
Other DfE/ESFA Grants	-	21,866	(21,866)	-	-	-
Curriculum Trips	-	49,197	(49,197)	-	-	-
Exceptional government grants	-	57,046	(57,046)	-	-	-
Pension reserve	(2,063,000)	-	(186,000)	-	(397,000)	(2,646,000)
	<u>(2,061,000)</u>	<u>2,987,242</u>	<u>(3,128,785)</u>	<u>(46,457)</u>	<u>(397,000)</u>	<u>(2,646,000)</u>
<b>Restricted fixed asset funds</b>						
Fixed assets transferred on conversion	5,743,758	-	(107,697)	-	-	5,636,061
Fixed assets purchased from GAG	126,878	-	(10,712)	46,457	-	162,623
DfE/ESFA capital grants	1,370,366	12,539	(113,098)	-	-	1,269,807
Funded by Local Authority	176,832	-	(3,684)	-	-	173,148
Other capital grants and donations	58,680	-	-	-	-	58,680

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**19. Statement of funds (continued)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
	7,476,514	12,539	(235,191)	46,457	-	7,300,319
<b>Total Restricted funds</b>	<b>5,415,514</b>	<b>2,999,781</b>	<b>(3,363,976)</b>	<b>-</b>	<b>(397,000)</b>	<b>4,654,319</b>
<b>Total funds</b>	<b>5,795,879</b>	<b>3,363,619</b>	<b>(3,700,794)</b>	<b>-</b>	<b>(397,000)</b>	<b>5,061,704</b>

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.

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.

Donations - This represents general donations to be used for the normal running of the Academy Trust, including education and support costs.

Other DfE/ESFA grants - This represents funding received from the ESFA for Universal Infant Free School Meals to provide catering for infants, and PE/Sports funding.

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

Other non government grants - This represents income from the Mendip School Support Alliance for the training of teachers.

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.

Exceptional Government Funding - The Academy has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**19. 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.

**OTHER INFORMATION**

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 2020.



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**19. Statement of funds (continued)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	279,869	453,328	(426,391)	(49,564)	-	257,242
Unrestricted fixed assets	90,046	-	(26,487)	39,564	-	103,123
Astro-turf pitch sinking fund	10,000	-	-	10,000	-	20,000
	<u>379,915</u>	<u>453,328</u>	<u>(452,878)</u>	<u>-</u>	<u>-</u>	<u>380,365</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	2,458,412	(2,458,412)	-	-	-
High Needs	-	28,847	(28,847)	-	-	-
Pupil Premium	-	97,526	(97,526)	-	-	-
Donations	5,000	2,000	(5,000)	-	-	2,000
Other DfE/ESFA Grants	-	21,446	(21,446)	-	-	-
Curriculum Trips	-	35,899	(35,899)	-	-	-
Other non-government grants	680	5,060	(5,740)	-	-	-
Pension reserve	(1,582,000)	-	(190,000)	-	(291,000)	(2,063,000)
	<u>(1,576,320)</u>	<u>2,649,190</u>	<u>(2,842,870)</u>	<u>-</u>	<u>(291,000)</u>	<u>(2,061,000)</u>
<b>Restricted fixed asset funds</b>						
Fixed assets transferred on conversion	5,851,454	-	(107,696)	-	-	5,743,758
Fixed assets purchased from GAG	136,910	-	(10,032)	-	-	126,878
DfE/ESFA capital grants	1,426,909	37,179	(93,722)	-	-	1,370,366
Funded by Local Authority	180,516	-	(3,684)	-	-	176,832

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**19. Statement of funds (continued)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Other capital grants and donations	58,680	-	-	-	-	58,680
	<u>7,654,469</u>	<u>37,179</u>	<u>(215,134)</u>	<u>-</u>	<u>-</u>	<u>7,476,514</u>
<b>Total Restricted funds</b>	<u>6,078,149</u>	<u>2,686,369</u>	<u>(3,058,004)</u>	<u>-</u>	<u>(291,000)</u>	<u>5,415,514</u>
<b>Total funds</b>	<u><u>6,458,064</u></u>	<u><u>3,139,697</u></u>	<u><u>(3,510,882)</u></u>	<u><u>-</u></u>	<u><u>(291,000)</u></u>	<u><u>5,795,879</u></u>

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	114,502	-	7,358,687	<b>7,473,189</b>
Current assets	424,018	71,444	-	<b>495,462</b>
Creditors due within one year	(178,447)	-	(27,500)	<b>(205,947)</b>
Creditors due in more than one year	-	-	(55,000)	<b>(55,000)</b>
Provisions for liabilities and charges	-	(2,646,000)	-	<b>(2,646,000)</b>
Difference	47,312	(71,444)	24,132	-
<b>Total</b>	<u><u>407,385</u></u>	<u><u>(2,646,000)</u></u>	<u><u>7,300,319</u></u>	<u><u><b>5,061,704</b></u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**20. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	103,124	-	7,586,514	7,689,638
Current assets	444,072	2,000	-	446,072
Creditors due within one year	(166,831)	-	(27,500)	(194,331)
Creditors due in more than one year	-	-	(82,500)	(82,500)
Provisions for liabilities and charges	-	(2,063,000)	-	(2,063,000)
<b>Total</b>	<b>380,365</b>	<b>(2,061,000)</b>	<b>7,476,514</b>	<b>5,795,879</b>

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	<b>(337,175)</b>	(371,185)
<b>Adjustments for:</b>		
Depreciation	<b>247,945</b>	241,621
Capital grants from DfE and other capital income	<b>(12,539)</b>	(37,179)
Interest receivable	<b>(637)</b>	(1,000)
Defined benefit pension scheme cost less contributions payable	<b>148,000</b>	149,000
Defined benefit pension scheme finance cost	<b>38,000</b>	41,000
Decrease/(increase) in debtors	<b>6,742</b>	(15,960)
Increase/(decrease) in creditors	<b>11,616</b>	(33,621)
Loss on the sale of fixed assets	-	8,658
<b>Net cash provided by/(used in) operating activities</b>	<b>101,952</b>	(18,666)

**22. Cash flows from financing activities**

	2020 £	2019 £
Repayments of borrowing	<b>(27,500)</b>	(27,500)
<b>Net cash used in financing activities</b>	<b>(27,500)</b>	(27,500)

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**23. Cash flows from investing activities**

	2020 £	2019 £
Interest received	637	1,000
Purchase of tangible assets	(31,496)	(62,093)
Capital grants from DfE Group	12,539	37,179
<b>Net cash used in investing activities</b>	<b>(18,320)</b>	<b>(23,914)</b>

**24. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	435,207	274,950
Notice deposits (less than 3 months)	-	104,125
<b>Total cash and cash equivalents</b>	<b>435,207</b>	<b>379,075</b>

**25. Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	379,075	56,132	435,207
Debt due within 1 year	(27,500)	-	(27,500)
Debt due after 1 year	(82,500)	27,500	(55,000)
	<b>269,075</b>	<b>83,632</b>	<b>352,707</b>

**26. 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 2016.

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**26. Pension commitments (continued)**

**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 £303,000 (2019 - £212,000).

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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**26. 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 2020 was £173,000 (2019 - £161,000), of which employer's contributions totalled £137,000 (2019 - £126,000) and employees' contributions totalled £ 36,000 (2019 - £35,000). The agreed contribution rates for future years are 20.9% 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**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>3.8</b>	3.70
Rate of increase for pensions in payment/inflation	<b>2.3</b>	2.20
Discount rate for scheme liabilities	<b>1.6</b>	1.85
Inflation assumption (CPI)	<b>2.3</b>	2.20

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

	<b>2020</b>	2019
	Years	Years
<i>Retiring today</i>		
Males	<b>23.3</b>	22.9
Females	<b>24.8</b>	24.0
<i>Retiring in 20 years</i>		
Males	<b>24.7</b>	24.6
Females	<b>26.2</b>	25.8

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**26. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2020</b>	2019
	<b>£000</b>	£000
Discount rate +0.1%	<b>(102)</b>	(80)
Discount rate -0.1%	<b>104</b>	82
Mortality assumption - 1 year increase	<b>172</b>	136
Mortality assumption - 1 year decrease	<b>(166)</b>	(131)
CPI rate +0.1%	<b>95</b>	72
CPI rate -0.1%	<b>(93)</b>	(70)
	<b>=====</b>	<b>=====</b>

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

	<b>2020</b>	2019
	<b>£</b>	£
Equities and gilts	<b>1,409,000</b>	1,249,000
Other bonds	<b>200,000</b>	149,000
Property	<b>134,000</b>	132,000
Cash and other liquid assets	<b>96,000</b>	97,000
	<b>=====</b>	<b>=====</b>
<b>Total market value of assets</b>	<b>1,839,000</b>	1,627,000
	<b>=====</b>	<b>=====</b>

The actual return on scheme assets was £56,000 (2019 - £106,000).

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

	<b>2020</b>	2019
	<b>£</b>	£
Current service cost	<b>(285,000)</b>	(237,000)
Past service cost	<b>-</b>	(38,000)
Interest income	<b>30,000</b>	38,000
Interest cost	<b>(68,000)</b>	(79,000)
	<b>=====</b>	<b>=====</b>
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(323,000)</b>	(316,000)
	<b>=====</b>	<b>=====</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**26. Pension commitments (continued)**

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

	<b>2020</b>	2019
	£	£
<b>At 1 September</b>	<b>3,690,000</b>	2,983,000
Current service cost	<b>285,000</b>	237,000
Interest cost	<b>68,000</b>	79,000
Employee contributions	<b>36,000</b>	35,000
Actuarial losses	<b>435,000</b>	358,000
Benefits paid	<b>(29,000)</b>	(40,000)
Past service costs	-	38,000
<b>At 31 August</b>	<b>4,485,000</b>	3,690,000

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

	<b>2020</b>	2019
	£	£
<b>At 1 September</b>	<b>1,627,000</b>	1,401,000
Interest income	<b>31,000</b>	38,000
Actuarial gains	<b>38,000</b>	67,000
Employer contributions	<b>137,000</b>	126,000
Employee contributions	<b>36,000</b>	35,000
Benefits paid	<b>(29,000)</b>	(40,000)
<b>At 31 August</b>	<b>1,840,000</b>	1,627,000

**27. Operating lease commitments**

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>	2019
	£	£
Within 1 year	<b>27,491</b>	27,848
Between 1 and 5 years	<b>73,915</b>	101,406
	<b>101,406</b>	129,254



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

**28. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

**29. 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.

**30. Related party transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial 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 party transactions.

The following related party transactions took place in the year:

Mrs Millward, a close family member of Trustee Mr J Millward, is employed as a Learning Support Assistant. Mrs Millward's appointment was made in open competition and Mr J Millward was not involved in the decision making process. Mrs Millward is paid within normal pay scales for her role and receives no special treatment as a result of her relationship with a Trustee.

During the year the Academy Trust invoiced Eurilait Limited, a company in which Trustee Mr J Millward is the Managing Director, for leisure centre memberships for its staff totalling £510 (2019: £3,112). A balance of £Nil (2019: £nil) was receivable from Eurilait Limited at the year end.

During the year the Academy Trust received no donations from Trustees (2019: £2,000 from one Trustee. This donation was restricted to music use only).

**31. Agency arrangements**

The Academy Trust distributes Mendip Support School Alliance funds to Schools as an agent for the Local Authority. In the accounting period ended 31 August 2020 the Academy Trust received £Nil (2019: £Nil) and disbursed £Nil, (2019: £11,580) from the fund. An amount of £Nil (2019: £Nil) is included in other creditors relating to undistributed funds that are payable to the Schools.