

Winterton Community Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Winterton Community Academy

Contents

Reference and Administrative Details	1 to 2
Trustees' Annual Report	3 to 42
Governance Statement	9
Statement of Regularity, Propriety and Compliance	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report on the Financial Statements to the Members of Winterton Community Academy	14
Independent Reporting Accountant's Assurance Report on Regularity	17
Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)	19
Balance Sheet as at 31 August 2021	21
Statement of Cash Flows for the year ended 31 August 2021	22
Notes to the Financial Statements	23

Winterton Community Academy

Reference and Administrative Details

Members	S Driver A Walker J Jipson C Dent
Governors and Trustees (Directors)	T Johns S Driver C Peters J Simpson (resigned 29 September 2020) A Walker, Chair of Governors K Rowlands C Frow C Holmes C Hunt J Bird (resigned 20 November 2020) A Brudenell (resigned 31 August 2021) D Plumtree E Barron M Heathcote R Taylor C Reid (appointed 30 November 2020)
Senior Management Team	K Rowlands, Headteacher L Daveran, Assistant Headteacher A Dalowsky, Assistant Headteacher R Featherstone, Deputy Headteacher J Hodge, Finance Manager
Principal and Registered Office	Winterton Community Academy Newport Drive Winterton Scunthorpe North Lincolnshire DN15 9QD
Company Registration Number	08140747
Auditors	Forrester Boyd 26 South St Mary's Gate Grimsby N E Lincs DN31 1LW

Winterton Community Academy

Reference and Administrative Details (continued)

Bankers

Lloyds Bank
106 High Street
Scunthorpe
South Humberside
DN15 6HG

Solicitors

Wilkin Chapman LLP
Cartergate House
26 Chantry Lane
Grimsby
North East Lincolnshire
DN31 2LJ

Winterton Community Academy

Trustees' Annual Report for the Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, incorporating a strategic report, and a directors' report under company law.

The trust operates an academy for pupils aged 11-16 serving a catchment area in North Lincolnshire. It has pupil capacity of 720 and had a roll of 505 in the school census in Spring 2021.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 08140747.

The governors act as the trustees for the charitable activities of Winterton Community Academy and are also the directors of the charitable company for the purposes of company law.

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

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 they are a member, or within one year after they cease 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

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

The Members may appoint up to 12 Trustees. The Head Teacher shall be treated as being an ex officio Trustee. Up to 4 Staff Trustees may be appointed. A minimum of 2 Parent Trustees may be appointed. Elections for Parent Trustees allow one ballot paper for each parent to complete irrespective of the number of children they have attending the school. The Trustees may appoint up to 3 co-opted Trustees.

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

The training and induction for Trustees is personalised and dependent on their existing experience. One Trustee has the responsibility for coordinating all the training and development for Trustees. The Academy participates with Local Authority organised training sessions when appropriate and all Trustees are invited. All Trustees involved in the appointment of staff attend training on safer recruitment and the Trustees responsible for the performance management of the Head Teacher attend specific training on this before they take up this duty.

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 whilst on Academy business.

Winterton Community Academy

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Organisational structure

The Academy Trust consists of three members and a Board of Trustees who lead on the strategic direction of the school and then there is a senior leadership team who manages the day-to-day running of the school and reports to the Board of Trustees.

The Trustees are responsible for setting the general policy, adopting the annual school improvement plan and budget, monitoring the Academy by use of the budgets and making decisions about the strategic direction of the Academy and teaching staff appointments.

The Senior Leadership Team consist of the Headteacher, one Deputy Headteacher, two Assistant Headteachers and the Finance Manager. This group leads the Academy at an executive level implementing policies laid down by the Trustees and reporting back to them. As a group they are responsible for the monitoring of the spending within agreed budgets, designing and implementing the school improvement plan, ensuring that all pupils enjoy and achieve their personal best.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of key management personnel is set according to the School Teachers' pay and conditions document which is reviewed annually. All senior leadership's salaries are set within the boundaries of school's ISR and this is agreed by Trustees. The Academy's appraisal policy is used to determine any pay increase within the parameters set for members of the senior leadership team.

Trade union facility time

There was no trade union facility time in the period.

Risk management

The Academy has a system of internal control including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

Each year members of the finance sub-committee undertake a comprehensive review of risks to which the Academy may be exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy. The internal controls are then implemented.

A risk register is on-going and maintained by the Academy which will be reviewed annually by the finance sub-committee.

Connected organisations, including related party relationships

There are no connected organisations.

Objectives and activities

Objects and aims

Winterton Community Academy Trust's principal object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice, establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. To this end it now runs an academy aspiring towards the highest standards for pupils between the ages of 11-16.

Winterton Community Academy

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Objectives, strategies and activities

The overriding objective of Winterton Community Academy is to serve our community by providing a high standard of educational, pastoral and personal support for pupils of all abilities within the 11-16 age range.

It is the mission of the Academy to ensure that all children within its care are safe, happy and successful and that as a school, it will be recognised as an employer of choice.

Our school will uphold a culture of high expectations for pupils, staff, Governors and parents. With an emphasis on our core values of Respect, Hard-Work and Positivity, we aim to support the development of our young people to be highly employable, confident young people and positive citizens.

Our curriculum is organised to ensure that our pupils have access to a broad range of subjects and opportunities with an emerging emphasis on ensuring that as many pupils as possible are able to access an EBACC curriculum. It is a priority for the school to ensure that pupils are taught by specialist teachers with the knowledge and expertise to develop a deep understanding of each subject.

We are proud of our achievements and we are keen to celebrate success at all levels. We place high standards of discipline within the context of care, warmth and good humour. It is important to us that all members of the Academy community are treated with respect and are allowed to thrive as individuals.

The main strategies for improvement for academic year 2020/21 are:

- Maintain a good standard of teaching and a strong emphasis on learning, as validated by OFSTED in March 2020.
- Develop a deep, engaging curriculum across all subjects.
- Continue to develop a positive culture and behaviour for learning throughout the school.
- Embed the use of assessment and data to create a richer understanding of individual student needs
- Develop strategies to best meet the needs of learners identified as SEND.
- To develop resources and strategies to ensure that the academy is highly inclusive and meets the bespoke needs of individuals with emotional, behavioural and social difficulties.

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission.

Winterton Community Academy

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

The academy results demonstrate that pupils have overall made good progress. Due to COVID-19, outcomes have been determined through centre assessment with moderation in place. All projected grades were upheld during this process and the school delivered a positive Progress 8 score and sustained progress made in previous years.

In terms of attainment, the percentage of students achieving a pass in both Maths and English at both levels 4+ and 5+ exceeding the local and national averages significantly. The school achieved the highest basics scores in the Local Authority.

The performance of pupils eligible for pupil premium remains a priority and has presented challenges during the current pandemic. This, alongside raising standards for boys remains a priority.

The Covid-19 pandemic has put a strain on both the financial running of the academy, in terms of supply cover, staff sickness, equipment supplies as many students have been unable to learn on site. A higher absence rate has meant additional duties and work for those still in the building which has had a detrimental effect on staff welfare. The academy has used catch-up grants to fund improvements in ICT to allow for a much better off site learning experience and to help catch up with any losses in curriculum as well as buying additional software licences to support our pupil premium students. The academy has lost it's main source of additional funds as during 2020-2021 there were no hiring of facilities. This is an area of income that has yet to recover significantly.

Key financial performance indicators

A benchmarking exercise is carried out with other similar academies locally to ensure expenditure is comparable and appropriate.

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

The academy continues to operate in the educational environment that the school operated in. As a result, the sources of income are not dissimilar; the expenditure is channelled in the same format.

The main source of funding is the General Annual Grant (GAG) which provides funding for pupils aged 11-16 and the Education Services Grant which is a grant allowing the academy to source educational and support services from bodies other than the Local Authority. This funding is administered by the Education and Skills Funding Agency (ESFA) In addition the Local Authority continues to manage the higher need SEN (Special Educational Needs) funding. The ESFA also administers the Pupil Premium funding. Smaller ad hoc grants continue to be available such as insurance top up and non-domestic rates (NNDR).

During the year ended 31st August 2021, total expenditure of £3,214,831 (2020: £3,371,690) was covered by incoming resources, together with the brought forward reserves.

There is an in year surplus of £254,527 (2020: £132,853) on unrestricted and restricted general funds giving a total free reserves balance on these funds of £624,600 (2020: £370,073).

Financial and risk management objectives and policies

The Academy is subject to a number of risks and uncertainties in common with other academies. The Academy has in place procedures which identify and mitigate financial risks. These are discussed further in the Risk Management section of this report and in the Governance Statement.

Winterton Community Academy

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Reserves policy

The Trustees review the reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to matching income with commitments and the nature of reserves.

The Academy held fund balances at 31 August 2021 of £3,634,761 (2020: £3,927,321) comprising £205,625 (2020: £198,387) of unrestricted funds, £418,975 (2020: £171,686) of restricted general funds, £4,893,161 (2020: £5,125,248) of restricted fixed asset funds and an additional pension reserve deficit of £1,883,000 (2020: £1,568,000).

Of this amount, £4,887,862 can only be realised by disposing of tangible fixed assets. Free reserves stand at £624,600 (2020: £370,073).

Investment policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

The priority is to avoid high levels of risk by ensuring any investment vehicle has adequate credit rating, measured by a reputable credit rating agency. The Academy will avoid volatile investment instruments, ensuring security of funds takes precedence over revenue generation.

Once reserves in the bank regularly exceed £300,000, the investment strategy below should be considered.

- Regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the current account has adequate balances to meet forthcoming commitments.
- The Academy will not allow its current account to go overdrawn.
- Identify funds surplus to immediate cash requirements.
- Periodically, at least annually, review interest rates and compare with other investment opportunities and consider alternative secure investments.
- To only invest funds in risk free and short term, accessible deposit accounts.

Principal risks and uncertainties

Chief risks identified include:

- Demographic changes resulting in a significant reduction in pupil numbers within catchment area
- Deficit in the local authority pension scheme and uncertainty over future pooling arrangements
- Reduction in pupil numbers due to the opening of new University Technical College, Leggott Academy and local demographics
- Demographic changes resulting in a significant increase in pupil numbers within catchment area, especially within year groups that, although are not at PAN, are at capacity with regard the teaching groups and numbers of teachers in the school.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

Winterton Community Academy will continue to strive to improve further the educational achievement and attainment of all pupils and to offer an enriched educational experience, preparing pupils for post-16 learning.

Winterton Community Academy

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Auditor

Insofar 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.

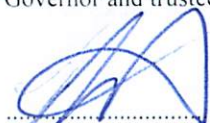
Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Forrester Boyd as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Annual Report, incorporating the directors' report and strategic report, was approved by order of the members of the Board of Trustees, as company directors, on 8 November 2021 and signed on its behalf by:



A Walker
Governor and trustee



K Rowlands
Governor and trustee

Winterton Community Academy

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Winterton Community Academy 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 K Rowlands, 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 Winterton Community Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Annual Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
E Barron	3	3
J Bird	0	1
A Brudenell	2	3
C Dent	0	3
S Driver	3	3
C Frow	2	3
C Holmes	1	3
C Hunt	3	3
J Jipson	0	3
T Johns	3	3
C Peters	3	3
D Plumtree	3	3
K Rowlands	3	3
J Simpson		
A Walker	3	3
M Heathcote	3	3
R Taylor	3	3
C Reid	2	2

Governance reviews

The Academy continues to actively encourage the appointment of Governors with essential skills.

The Board monitors its own standards of governance to identify any areas of weakness. Training plans are implemented to improve such areas as identified.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to review actual financial reports compared to the budget, authorise expenditure over a certain amount, and to ensure the systems and controls are working efficiently and effectively. Attendance at meetings during the year was as follows:

Winterton Community Academy

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
J Bird	1	1
S Driver	4	4
C Peters	4	4
K Rowlands	4	4
A Walker	3	4
R Taylor	3	3

Effective oversight of funds

Effective oversight of funds has been maintained by issuing monthly management accounts to all trustees allowing them to raise queries were applicable.

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

- The Academy undertook a review of its energy use and charges with Black Sheep and has fixed low energy prices for the next 2 years
- The Academy makes full use of the Every (previously TES) and Y.P.O. procurement systems to attain bids for ICT equipment.
- Following an ICT review and procurement exercise, new servers have been installed, supplied and maintained by BlueBox IT.
- The Academy has maintained relationships for the future by supporting the catering company through continuing to pay for the service throughout the pandemic.

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 ongoing 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 Winterton Community Academy for the year ended 31 August 2021 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 ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Winterton Community Academy

Governance Statement (continued)

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 Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed Armstrong Watson to perform additional checks

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the reviewer should report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

The reviewer has delivered the planned reviews in the following areas:

- Income
- Procurements
- Payroll

There were no material control or other issues reported to date.

Review of effectiveness

As Accounting Officer, K Rowlands has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of Armstrong Watson;
- 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 Finance and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system that is in place.

Approved by order of the members of the Board of Trustees on 8 November 2021 and signed on its behalf by:



A Walker
Governor and trustee



K Rowlands
Accounting officer
Governor and trustee

Winterton Community Academy

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Winterton Community Academy I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



K Rowlands
Accounting officer

8 November 2021

Winterton Community Academy

Statement of Trustees' Responsibilities

The Trustees (who act as Governors of Winterton Community Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 on 8 November 2021 and signed on its behalf by:



A Walker
Governor and trustee

Winterton Community Academy

Independent Auditor's Report on the Financial Statements to the Members of Winterton Community Academy

Opinion

We have audited the financial statements of Winterton Community Academy (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trusts affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Winterton Community Academy

Independent Auditor's Report on the Financial Statements to the Members of Winterton Community Academy (continued)

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' Annual Report (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' 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 Strategic Report and Directors' Report.

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], 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.

Auditor's responsibilities for the audit of the financial statements

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

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

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the pension scheme liability.
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the academies operations and review of compliance with such laws including a review of the Academy Trust Handbook 2020 and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

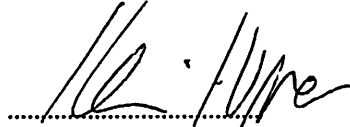
Winterton Community Academy

Independent Auditor's Report on the Financial Statements to the Members of Winterton Community Academy (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the Academy Trust's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Hopper BFP FCA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South St Mary's Gate
Grimsby
N E Lincs
DN31 1LW

8 November 2021

Winterton Community Academy

Independent Reporting Accountant's Assurance Report on Regularity

In accordance with the terms of our engagement letter dated 20 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Winterton Community Academy during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Winterton Community Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Winterton Community Academy and the 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 Winterton Community Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Winterton Community Academy's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Winterton Community Academy's funding agreement with the Secretary of State for Education dated 1 October 2012 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

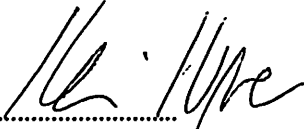
- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Confirming that the activities of the Academy Trust are in keeping with the Academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management personnel.

Winterton Community Academy

Independent Reporting Accountant's Assurance Report on Regularity (continued)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Kevin Hopper BFP FCA, Reporting Accountant
For and on behalf of Forrester Boyd,

26 South St Mary's Gate
Grimsby
N E Lincs
DN31 1LW

8 November 2021

Winterton Community Academy

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £	2019/20 Total £
Income and endowments from:						
Donations and capital grants	2	11,125	-	12,168	23,293	71,695
Other trading activities	4	18,842	24,154	-	42,996	123,221
Investments	5	66	-	-	66	249
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	3,049,916	-	3,049,916	2,995,509
Total		30,033	3,074,070	12,168	3,116,271	3,190,674
Expenditure on:						
Raising funds	6	17,048	-	-	17,048	35,961
<i>Charitable activities:</i>						
Academy trust educational operations	7	5,747	2,947,781	244,255	3,197,783	3,335,729
Total		22,795	2,947,781	244,255	3,214,831	3,371,690
Net income/(expenditure)		7,238	126,289	(232,087)	(98,560)	(181,016)
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	24	-	(194,000)	-	(194,000)	(557,000)
Net movement in funds/(deficit)		7,238	(67,711)	(232,087)	(292,560)	(738,016)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2020		198,387	(1,396,314)	5,125,248	3,927,321	4,665,337
Total funds/(deficit) carried forward at 31 August 2021		205,625	(1,464,025)	4,893,161	3,634,761	3,927,321

Comparative figures are stated on page 22.

Winterton Community Academy

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	36,555	-	35,140	71,695
Other trading activities	4	67,073	56,148	-	123,221
Investments	5	249	-	-	249
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	2,995,509	-	2,995,509
Total		103,877	3,051,657	35,140	3,190,674
Expenditure on:					
Raising funds	6	35,961	-	-	35,961
<i>Charitable activities:</i>					
Academy trust educational operations	7	1,276	3,098,444	236,009	3,335,729
Total		37,237	3,098,444	236,009	3,371,690
Net income/(expenditure)		66,640	(46,787)	(200,869)	(181,016)
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	(557,000)	-	(557,000)
Net movement in funds/(deficit)		66,640	(603,787)	(200,869)	(738,016)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		131,747	(792,527)	5,326,117	4,665,337
Total funds/(deficit) carried forward at 31 August 2020		198,387	(1,396,314)	5,125,248	3,927,321

Winterton Community Academy

(Registration number: 08140747)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	4,887,862	5,100,959
Current assets			
Debtors	12	109,013	89,115
Cash at bank and in hand		<u>794,236</u>	<u>497,391</u>
		903,249	586,506
Creditors: Amounts falling due within one year	13	<u>(264,732)</u>	<u>(181,797)</u>
Net current assets		<u>638,517</u>	<u>404,709</u>
Total assets less current liabilities		5,526,379	5,505,668
Creditors: Amounts falling due after more than one year	14	<u>(8,618)</u>	<u>(10,347)</u>
Net assets excluding pension liability		5,517,761	5,495,321
Pension scheme liability	24	<u>(1,883,000)</u>	<u>(1,568,000)</u>
Net assets including pension liability		<u><u>3,634,761</u></u>	<u><u>3,927,321</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		418,975	171,686
Restricted fixed asset fund		4,893,161	5,125,248
Restricted pension fund		<u>(1,883,000)</u>	<u>(1,568,000)</u>
		3,429,136	3,728,934
Unrestricted funds			
Unrestricted general fund		<u>205,625</u>	<u>198,387</u>
Total funds	15	<u><u>3,634,761</u></u>	<u><u>3,927,321</u></u>

The financial statements on pages 19 to 42 were approved by the Trustees, and authorised for issue on 8 November 2021 and signed on their behalf by:


A Walker
Governor and trustee

Winterton Community Academy

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	18	323,553	70,783
Cash flows from investing activities	20	(18,924)	(16,807)
Cash flows from financing activities	19	<u>(7,784)</u>	<u>(13,853)</u>
Change in cash and cash equivalents in the year		296,845	40,123
Cash and cash equivalents at 1 September		<u>497,391</u>	<u>457,268</u>
Cash and cash equivalents at 31 August	21	<u><u>794,236</u></u>	<u><u>497,391</u></u>

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

General information

The academy trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:

Winterton Community Academy
Newport Drive
Winterton
Scunthorpe
North Lincolnshire
DN15 9QD

These financial statements were authorised for issue by the Board on 8 November 2021.

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.

Basis of preparation

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

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

The financial statements cover the individual entity Winterton Community Academy.

Winterton Community Academy meets the definition of a public benefit entity under FRS102.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Other income

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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 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 assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund. Depreciation is provided on all tangible assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Furniture and Equipment	5 and 3 year straight line basis
Computer Equipment	3 year straight line basis
Leasehold Buildings	26 year straight line basis
Leasehold Land	125 year straight line basis

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.

Leased assets

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

Long term leasehold properties:

The land and buildings are held on a 125 year lease with North Lincolnshire Council. They were recognised as an asset on conversion and are being depreciated accordingly.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at transaction price less provision for impairment. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at transaction price. 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.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Taxation

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

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

Pension benefits

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

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

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

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

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 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.

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.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Educational trips and visits	11,125	-	11,125	36,555
Capital grants	-	12,168	12,168	35,140
	<u>11,125</u>	<u>12,168</u>	<u>23,293</u>	<u>71,695</u>

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant	2,598,605	2,598,605	2,673,134
Pupil Premium	143,284	143,284	134,068
Other DfE revenue grant	35,780	35,780	11,825
Teachers Pay and Pension Grant	130,272	130,272	132,489
	<u>2,907,941</u>	<u>2,907,941</u>	<u>2,951,516</u>
Other government grants			
SEN Funding	62,929	62,929	24,558
Other Government Grants	-	-	6,920
	<u>62,929</u>	<u>62,929</u>	<u>31,478</u>
Non-government grants and other income			
Other non-government grants	6,754	6,754	-
Covid-19 additional funding (DfE/ESFA)			
Covid -19 Premium	40,480	40,480	12,515
Other DfE/ESFA Covid-19 funding	31,812	31,812	-
	<u>72,292</u>	<u>72,292</u>	<u>12,515</u>
Total grants	<u>3,049,916</u>	<u>3,049,916</u>	<u>2,995,509</u>

The academy received £40,480 (2020: £12,515) of funding for catch-up premium and costs incurred in respect of this funding totalled £40,480 (2020: £12,515).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Teachers pay and pensions grant is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	(148)	-	(148)	4,603
Recharges and reimbursements	10,112	-	10,112	47,527
Other income	8,878	24,154	33,032	71,091
	<u>18,842</u>	<u>24,154</u>	<u>42,996</u>	<u>123,221</u>

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	<u>66</u>	<u>66</u>	<u>249</u>

6 Expenditure

	Non Pay Expenditure			2020/21 Total £	2019/20 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	-	-	17,048	17,048	35,961
Academy's educational operations					
Direct costs	2,097,249	-	145,236	2,242,485	2,349,263
Allocated support costs	<u>283,169</u>	<u>474,754</u>	<u>197,375</u>	<u>955,298</u>	<u>986,466</u>
	<u>2,380,418</u>	<u>474,754</u>	<u>359,659</u>	<u>3,214,831</u>	<u>3,371,690</u>

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Fees payable to auditor - audit	7,200	7,200
Fees payable to auditor - other services	1,340	2,975
Depreciation	244,255	234,304
Operating leases	9,689	12,833

7 Charitable activities

	2020/21 £	2019/20 £
Direct costs - educational operations	2,242,485	2,349,263
Support costs - educational operations	955,298	986,466
	<u>3,197,783</u>	<u>3,335,729</u>

	2020/21 Total £	2019/20 Total £
Educational operations £		
Analysis of support costs		
Support staff costs	283,169	287,503
Depreciation	244,255	234,304
Technology costs	42,612	42,572
Premises costs	230,499	246,661
Other support costs	140,505	141,511
Governance costs	14,258	33,915
Total support costs	<u>955,298</u>	<u>986,466</u>

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	1,675,512	1,731,057
Social security costs	166,870	174,142
Pension costs	469,604	479,515
	<u>2,311,986</u>	<u>2,384,714</u>
Supply teacher costs	64,256	61,961
Staff restructuring costs	4,176	40,193
	<u>2,380,418</u>	<u>2,486,868</u>
	2021 £	2020 £
Staff restructuring costs comprise:		
Severance payments	<u>4,176</u>	<u>40,193</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2020: £40,193).

Staff numbers

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

	2020/21 No	2019/20 No
Charitable Activities		
Teachers	28	30
Administration and support	22	21
Management	<u>5</u>	<u>7</u>
	<u>55</u>	<u>58</u>

Higher paid staff

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

	2021 No	2020 No
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>

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 £451,183 (2020: £476,216).

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

9 Related party transactions - trustees' remuneration and expenses

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

J Simpson (Teaching Assistant):

Remuneration: £0 - £5,000 (2020 - £25,000 - £30,000)

Employer's pension contributions: £0 - £5,000 (2020 - £5,000 - £10,000)

K Rowlands (Headteacher):

Remuneration: £80,000 - £85,000 (2020 - £75,000 - £80,000)

Employer's pension contributions: £15,000 - £20,000 (2020 - £15,000 - £20,000)

C Hunt (Teacher):

Remuneration: £25,000 - £30,000 (2020 - £25,000 - £30,000)

Employer's pension contributions: £5,000 - £10,000 (2020 - £5,000 - £10,000)

Other related party transactions involving the trustees are set out in note 25.

10 Trustees' and officers' insurance

The Academy Trust has opted into the Department for 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.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2020	6,737,991	145,078	78,624	6,961,693
Additions	-	-	31,158	31,158
At 31 August 2021	<u>6,737,991</u>	<u>145,078</u>	<u>109,782</u>	<u>6,992,851</u>
Depreciation				
At 1 September 2020	1,642,619	145,078	73,037	1,860,734
Charge for the year	240,613	-	3,642	244,255
At 31 August 2021	<u>1,883,232</u>	<u>145,078</u>	<u>76,679</u>	<u>2,104,989</u>
Net book value				
At 31 August 2021	<u>4,854,759</u>	<u>-</u>	<u>33,103</u>	<u>4,887,862</u>
At 31 August 2020	<u>5,095,372</u>	<u>-</u>	<u>5,587</u>	<u>5,100,959</u>

Included within leasehold land and buildings is £4,854,759 (2020: £5,095,372) relating to long leasehold land and building

12 Debtors

	2021 £	2020 £
Trade debtors	2,536	2,610
Prepayments	59,356	40,651
Accrued grant and other income	29,822	35,798
VAT recoverable	17,299	10,056
	<u>109,013</u>	<u>89,115</u>

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	108,864	25,535
Other taxation and social security	44,300	40,917
Other creditors	14,436	7,784
Accruals	36,075	54,393
Deferred income	18,609	10,616
Pension scheme creditor	42,448	42,552
	<u>264,732</u>	<u>181,797</u>

	2021 £	2020 £
Deferred income		
Deferred income at 1 September 2020	10,616	22,951
Resources deferred in the period	12,933	10,616
Amounts released from previous periods	<u>(4,940)</u>	<u>(22,951)</u>
Deferred income at 31 August 2021	<u>18,609</u>	<u>10,616</u>

Deferred income related to income received in advance for school trips.

Included within other creditors is a loan of £1,725 from salix which is provided on the following terms: one interest free loan which will be repaid on a straight line basis over 7 years. The Repayments will be paid out of annual savings made in the year.

14 Creditors: amounts falling due after one year

	2021 £	2020 £
Other creditors	<u>8,618</u>	<u>10,347</u>

Included within other creditors is a loan of £8,618 from Salix which is provided on the following terms: one interest free loan which will be repaid on a straight line basis over 7 years. The Repayments will be paid out of annual savings made in the year.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant	149,198	2,598,605	(2,351,316)	-	396,487
Pupil Premium	22,488	143,284	(143,284)	-	22,488
SEN Funding	-	62,929	(62,929)	-	-
Other Government Grants	-	197,864	(197,864)	-	-
Other Income	-	30,908	(30,908)	-	-
Covid-19 Premium	-	40,480	(40,480)	-	-
	<u>171,686</u>	<u>3,074,070</u>	<u>(2,826,781)</u>	<u>-</u>	<u>418,975</u>
Restricted fixed asset funds					
Capital Funding	505,748	12,168	(24,181)	-	493,735
Assets Transferred from Local Authority	<u>4,619,500</u>	<u>-</u>	<u>(220,074)</u>	<u>-</u>	<u>4,399,426</u>
	5,125,248	12,168	(244,255)	-	4,893,161
Restricted pension funds					
Pension Reserve	<u>(1,568,000)</u>	<u>-</u>	<u>(121,000)</u>	<u>(194,000)</u>	<u>(1,883,000)</u>
Total restricted funds	3,728,934	3,086,238	(3,192,036)	(194,000)	3,429,136
Unrestricted funds					
Unrestricted general funds	<u>198,387</u>	<u>30,033</u>	<u>(22,795)</u>	<u>-</u>	<u>205,625</u>
Total funds	<u><u>3,927,321</u></u>	<u><u>3,116,271</u></u>	<u><u>(3,214,831)</u></u>	<u><u>(194,000)</u></u>	<u><u>3,634,761</u></u>

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant	46,362	2,673,134	(2,570,298)	-	149,198
Pupil Premium	22,509	140,988	(141,009)	-	22,488
SEN Funding	-	24,558	(24,558)	-	-
Other Government Grants	-	156,829	(156,829)	-	-
Other Income	36,602	56,148	(92,750)	-	-
	<u>105,473</u>	<u>3,051,657</u>	<u>(2,985,444)</u>	<u>-</u>	<u>171,686</u>
Restricted fixed asset funds					
Capital Funding	507,906	35,140	(37,298)	-	505,748
Assets Transferred from Local Authority	4,818,211	-	(198,711)	-	4,619,500
	<u>5,326,117</u>	<u>35,140</u>	<u>(236,009)</u>	<u>-</u>	<u>5,125,248</u>
Restricted pension funds					
Pension Reserve	<u>(898,000)</u>	<u>-</u>	<u>(113,000)</u>	<u>(557,000)</u>	<u>(1,568,000)</u>
Total restricted funds	4,533,590	3,086,797	(3,334,453)	(557,000)	3,728,934
Unrestricted funds					
Unrestricted general funds	<u>131,747</u>	<u>103,877</u>	<u>(37,237)</u>	<u>-</u>	<u>198,387</u>
Total funds	<u>4,665,337</u>	<u>3,190,674</u>	<u>(3,371,690)</u>	<u>(557,000)</u>	<u>3,927,321</u>

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

Restricted General Funds are made up of various revenue grants which are defrayed throughout the year on specific educational needs. The academy trust was not subject to a limit on GAG carry forward.

Restricted Fixed Asset Funds represent reserves of the charity that are specifically designated for capital.

Inherited assets are principally the land and buildings from the former school. Transfer from GAG is the result of GAG money being spent on capital.

Restricted Pension funds represents the LGPS pension deficit.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	4,887,862	4,887,862
Current assets	224,234	673,716	5,299	903,249
Current liabilities	(18,609)	(246,123)	-	(264,732)
Creditors over 1 year	-	(8,618)	-	(8,618)
Pension scheme liability	-	(1,883,000)	-	(1,883,000)
Total net assets	205,625	(1,464,025)	4,893,161	3,634,761

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	5,100,959	5,100,959
Current assets	209,003	353,214	24,289	586,506
Current liabilities	(10,616)	(171,181)	-	(181,797)
Creditors over 1 year	-	(10,347)	-	(10,347)
Pension scheme liability	-	(1,568,000)	-	(1,568,000)
Total net assets	198,387	(1,396,314)	5,125,248	3,927,321

17 Commitments under operating leases

Operating leases

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

	2021 £	2020 £
Amounts due within one year	9,689	9,689
Amounts due between one and five years	14,612	24,301
	24,301	33,990

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2021 £	2020 £
Net expenditure	(98,560)	(181,016)
Depreciation	244,255	234,304
Capital grants from DfE and other capital income	(12,168)	(35,140)
Interest receivable	(66)	(249)
Defined benefit pension scheme less contributions paid	93,000	96,000
Defined benefit pension scheme finance cost	28,000	17,000
(Increase)/decrease in debtors	(19,898)	31,328
Increase/(decrease) in creditors	88,990	(91,444)
Net cash provided by Operating Activities	<u>323,553</u>	<u>70,783</u>

19 Cash flows from financing activities

	2021 £	2020 £
Repayments of borrowing	<u>(7,784)</u>	<u>(13,853)</u>
Net cash used in financing activities	<u>(7,784)</u>	<u>(13,853)</u>

20 Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(31,158)	(52,196)
Other capital grants	-	22,500
Investment income	66	249
Capital grants from DfE	<u>12,168</u>	<u>12,640</u>
Net cash used in investing activities	<u>(18,924)</u>	<u>(16,807)</u>

21 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	<u>794,236</u>	<u>497,391</u>
Total cash and cash equivalents	<u>794,236</u>	<u>497,391</u>

22 Analysis of changes in net debt

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Analysis of changes in net debt(continued)

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	497,391	296,845	794,236
Loans falling due within one year	(7,784)	6,059	(1,725)
Loans falling due after more than one year	(10,347)	1,725	(8,622)
	<u>(18,131)</u>	<u>7,784</u>	<u>(10,347)</u>
Total	<u>479,260</u>	<u>304,629</u>	<u>783,889</u>

23 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 they are a member, or within one year after they cease 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.

24 Pension and similar obligations

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

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

Contributions amounting to £42,448 (2020 - £42,552) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the member and the 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.

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with 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 dependant 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% employer administration charge)
- 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 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 in 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 period amounted to £299,814 (2020: £305,930).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is a multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £100,000 (2020 - £99,000), of which employer's contributions totalled £78,000 (2020 - £77,000) and employees' contributions totalled £22,000 (2020 - £22,000). The agreed contribution rates for future years are 21.1 per cent for employers and 5-7 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.80	3.20
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.70</u>
Sensitivity analysis		
	2021 £	2020 £
0.1% decrease in real discount rate	94,000.00	80,000.00
0.1% increase in salary increase rate	10,000.00	9,000.00
Mortality assumption – 1 year increase	182,000.00	152,000.00
0.1% increase in the pension increase rate	<u>82,000.00</u>	<u>69,000.00</u>

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

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

	2021	2020
Retiring today		
Males retiring today	21.00	20.90
Females retiring today	23.70	23.30
Retiring in 20 years		
Males retiring in 20 years	22.20	21.80
Females retiring in 20 years	<u>25.50</u>	<u>24.80</u>

The academy trust's share of the assets in the scheme were:

	2021 £	2020 £
Equities	1,834,000	1,472,000
Other bonds	479,000	357,000
Property	292,000	268,000
Cash and other liquid assets	<u>53,000</u>	<u>134,000</u>
Total market value of assets	<u>2,658,000</u>	<u>2,231,000</u>

The actual return on scheme assets was £398,000 (2020 - (£5,000)).

Winterton Community Academy

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21 £	2019/20 £
Current service cost	171,000	173,000
Interest income	(38,000)	(40,000)
Interest cost	66,000	57,000
Total amount recognized in the SOFA	<u>199,000</u>	<u>190,000</u>

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

	2020/21 £	2019/20 £
At start of period	3,799,000	3,103,000
Current service cost	171,000	173,000
Interest cost	66,000	57,000
Employee contributions	22,000	22,000
Actuarial (gain)/loss	554,000	512,000
Benefits paid	(71,000)	(68,000)
At 31 August	<u>4,541,000</u>	<u>3,799,000</u>

Changes in the fair value of academy's share of scheme assets:

	2020/21 £	2019/20 £
At start of period	2,231,000	2,205,000
Interest income	38,000	40,000
Actuarial gain/(loss)	360,000	(45,000)
Employer contributions	78,000	77,000
Employee contributions	22,000	22,000
Benefits paid	(71,000)	(68,000)
At 31 August	<u>2,658,000</u>	<u>2,231,000</u>

25 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.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.