

Company Registration Number: 07348580 (England & Wales)

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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



**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 14
Governance statement	15 - 18
Statement on regularity, propriety and compliance	19
Statement of Trustees' responsibilities	20
Independent auditors' report on the financial statements	21 - 23
Independent reporting accountant's report on regularity	24 - 25
Consolidated statement of financial activities incorporating income and expenditure account	26
Consolidated balance sheet	27
Academy balance sheet	28
Consolidated statement of cash flows	29
Notes to the financial statements	30 - 63

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr M Davey (resigned 30 September 2019) Mr B Kirkup Rev R Neill (resigned 30 September 2019) Mr R Oliver (resigned 1 October 2019) Mr N Day (appointed 1 October 2019) Mr J Savage (appointed 1 October 2019) Mr E Gregory (appointed 1 October 2019)
Trustees	Rev J E G Angle Mr G M Ball, Chief Executive Officer Mr J A S Colquhoun Mr A J Davies (resigned 27 June 2019) Ms S T Flavin (resigned 15 November 2019) Mrs M F M Getheridge Mr B Kirkup, Chair of Trustees Ms S A Moreman (resigned 15 November 2019) Mr G J Smith Mr K J Walke Mr G D Woodcock
Company registered number	07348580
Company name	Wessex Learning Trust
Principal and registered office	The Kings of Wessex Academy Station Road Cheddar BS27 3AQ
Company Secretary	Mr K Perry
Chief Executive Officer	Mr G M Ball
Trust Leadership Group	Mr G M Ball, Chief Executive Officer Mr K Perry, Chief Operating Officer
Independent auditors	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER
Bankers	Lloyds Bath Street Cheddar BS27 3AB

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust provides education for pupils aged 2 to 19 in Somerset. The admission capacity at Year of Entry (excluding nursery provision and entrance to the Sixth Form) is 607. On roll as at the summer school census 2019 were 2,347 pupils with an additional 285 pupils in the Sixth Form and 168 children in nursery provision

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of Wessex Learning Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, 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 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 ceased to be a member.

Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £5,000,000.

In accordance with normal commercial practice the Trust 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.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

Prior to 1 November 2016 all Trustees that served the predecessor Trust (The Kings of Wessex Academy Trust) continued in their role. On 1 November 2016 the four Members of the Trust appointed new Trustees. These Trustees were selected from Governors of the schools joining the Trust so that each school was represented; First Schools each had one Trustee appointed whereas the Middle school had two Trustees. The Senior school was allocated four Trustees. Whilst each school was represented by a Trustee the associated skill of the Trustee was a key determinate on who was selected. In 2019 the Trust Board underwent a review of its governance structure and agreed to separate those Trustees who had a dual role as a Governor. At the end of the financial year two Trustees remained as a Trustee and a Governor but with plans to correct this early in the new academic year.

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

- no fewer than three Trustees but no more than sixteen Trustees.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

- up to 11 Trustees can be appointed by the Members.
- no fewer than two Trustees shall be appointed by the Diocesan Board of Education but no more than 25% of the total number of Trustees.
- the Executive Headteacher who is treated for all purposes as being a Trustee.

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

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development. New Trustees are appointed on their skills and not on a basis of representation of a school within the Trust.

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

Trustees' visit days of the schools in the Trust are arranged where Trustees meet with staff and students and view facilities. When required specific training is offered to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The Board of Trustees plans to meet once each term although additional meetings are called as and when required. The Board establishes an overall framework for the governance of the Trust and is responsible for delegating powers to its committees (Finance & HR and School Standards and Improvements), to Local Governing Bodies, the Executive Headteacher and others through an agreed scheme of delegation. The Board of Trustees is overall responsible for determining the strategy and the direction of the Trust, educational outcomes and finance. It receives reports including policies from its Committees for ratification. It monitors the activities of the Academies through the minutes of Local Governing Body meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

All schools within the Trust are required to establish a Local Governing Body which is to hold termly meetings and establish two committees as follows;

- *Finance and Human Resources Committee* - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing performance in relation to financial management, compliance with reporting and regulatory requirements, including health and safety. It is required to draft the annual budget including setting staffing levels. It also incorporates the role of an audit committee for each academy.
- *School Standards and Improvement* - this meets four times per year to monitor, evaluate and review practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

A separate management committee is established to oversee the operations of Kings Fitness & Leisure, a subsidiary business to the Trust:

- Kings Fitness & Leisure Management Board which meets four times per year and is responsible for monitoring and evaluating the performance of Kings Fitness and Leisure and receiving the Managers report and monthly budget reports. Regularly reviews membership fees and associated charges for the activities run at the Centre. Ensures compliance with reporting and regulatory requirements relating to the

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

operation of as Leisure Centre.

The following decisions are reserved to the Members:

- Appoint and remove Members
- Appoint and remove Directors
- Appoint the Trust's Accountants
- Approve the Annual Accounts

The following decisions are reserved to the Board of Trustees:

- Agree a Scheme of Delegation
- Agree Terms of Reference for the Local Governing Bodies
- Agree future Academy applications and/or sponsorship to join the Trust
- Set the ethos and strategic direction of the Trust
- Uphold the distinctive Christian character of the Church of England schools
- Construct an annual Trust improvement plan to deliver the Trust's priorities
- Monitor the performance of the Trust and the schools in the Trust
- Provide support and challenge to the Headteachers for school improvement
- Hold the Chief Executive to account for the performance of the schools in the Trust
- Ensure arrangements are in place for the performance management of the Chief Executive and the central team
- Maintain an effective internal audit
- Ensure financial policies and procedures are in accordance with DfE requirements and best practice
- Agree the allocation of funds for central services
- Allocate funding to schools in accordance with their GAG funding statement
- Approve annual budgets for academies
- Approve staffing costs for academies where expenditure on staffing will exceed 80% of GAG
- Monitor the financial performance of the trust taking action where necessary
- Maintain a register of pecuniary and business interests of directors and staff
- Approve lease agreements
- Appoint the Chief Executive and other central staff
- Set Trust policies
- Act as the Admissions Authority

The Board of Trustees have devolved responsibility for the day-to-day management of the schools to the Chief Executive and to the respective Headteachers and Local Governing Bodies. The delegation of these responsibilities is contained in the Scheme of Delegation. The schools will each in turn have their own leadership structure which will vary from school to school depending on its size.

The Chief Executive is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the school senior leadership teams comprise the key management personnel of the Trust and the schools within the Trust who are 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 recommendations made by the School Teachers' Review Body.

The Trustees benchmark against pay levels in other Trusts/Schools of a similar size. The benchmark is the mid-point of the range paid for similar roles.

Trade Union facility time: the Trust purchases Trade Union facility from Somerset County Council.

Related Parties and other Connected Charities and Organisations

Kings of Wessex Fitness and Leisure Limited is a 100% controlled subsidiary that operates a sports centre on the site of The Kings of Wessex Academy.

There are no related parties which either control or significantly influence the decisions and operations of the Trust. There are no formal sponsors associated with the Academies in the Trust.

All the Academies in the Trust have a number of organisations that work with them including PTAs and local Church groups which are invaluable to providing support. Overall, the Trust has strong collaborative links with other schools in the area who are not part of the Trust but form part of the wider Cheddar Valley community.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer broad and balanced curriculum and which include:

- Academies other than those designated Church of England, whether with or without a designated religious character,
- Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Board of Education,

But in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

In addition the Trust looks to provide facilities for recreation or other leisure time occupation for the public at large in the interests of social welfare and with the object of improving their conditions of life.

The aims of the Trust during the year ended 31 August 2019 are summarised below:

- to provide the best education by working closely with each other to create a unique experience for all our children.
- to ensure every student is helped to achieve their full potential so that they can make a positive contribution to our society and realise their lifetime ambitions.
- to offer a world-class, 21st century education for all young people between the ages of 2 to 19, providing outstanding learning opportunities and creating centres of educational excellence that meet the needs of all children.
- 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 enhance the tertiary provision and outcomes.
- to develop the Academy sites so that they enable 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 Trust by keeping the curriculum and organisational structure under

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

continual review.

- to provide value for money for the funds expended.
- to comply with all appropriate statutory and curriculum requirements.
- to maintain close links with our communities.
- to maintain close links with industry and commerce.
- to develop the Trust's capacity to manage change, and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

Our core principles are:

- to ensure that all schools (including nurseries, pre-schools, schools, academies and sixth forms) are treated fairly and always acting in the best interests of all students.
- to work together to support leaders and staff in securing the best possible outcomes for all our students, including early intervention particularly for vulnerable pupils.
- to ensure a spirit of openness, trust and respect within the Trust.
- to be accountable to each other and to the Trust.
- to respect the distinctive ethos of schools within the Trust ensuring the Christian distinctiveness of Church of England Schools and respecting those that are non-denominational.
- to ensure that maximum delegation is given to schools that are judged to be providing a good/outstanding education.
- to ensure that all schools are financially sustainable.
- to seek to share our excellence by seeking to grow the Trust with future partners.

Objectives, Strategies and Activities

Key priorities for the year are as follows:

- Welcoming and integrating Brent Knoll CofE Primary in to the Trust.
- Further integrating the 9 schools together.
- Focusing on teaching, learning and progress across all schools in the Trust.
- Raising achievement by closing the gaps in relation to boys and Pupil Premium students.
- Improving attendance and reducing persistent absence.
- Recruiting and retaining high quality staff.
- Managing a year on year real terms cut in funding and achieving more for less.
- Implementing reforms in line with curriculum and statutory changes.
- Providing a safe learning environment.
- Maintaining Ofsted and SIAMS readiness.
- Preparing the Trust to grow and expand.

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 Commission'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 Trust aims to advance for the public benefit, education within The Cheddar Valley and surrounding area.

The Trust 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. As a Trust of schools we have a duty to support other schools.

STRATEGIC REPORT

Achievements and Performance Axbridge CofE First School Academy

The school converted to academy status on 1 September 2012 and became part of the Trust in September 2016. The school was last inspected by Ofsted in June 2011 and graded as 'Outstanding'. The last SIAMS inspection was in July 2018 when the school was also graded as 'Outstanding'.

The number of pupils at the end of August 2019 was 167 with 39 in the Nursery. These were slightly down from the previous year which recorded pupil numbers at 179 and 43 respectively.

The school continues to perform well. In Early Years Foundation Stage (EYFS) 79% of pupils achieving a Good Level of Development. At the end of Key Stage One, 92% of pupils achieved Age Related Expectation (ARE) for Reading and 58% achieved Greater Depth (GD), 92% achieved ARE for Writing and 34% achieved GD; and 92% achieved ARE for Maths and 42% achieved GD.

The school committed a proportion of their reserves to expand two classrooms this year; the expanded classrooms provided significantly more space for the pupils to learn and play. The PTA continue to closely support the school and provided over £12,500 worth of funded items this year.

Brent Knoll CofE Primary School

The school converted to academy status and joined the Trust on 1 April 2019. It is currently the only school in the Trust that has outcomes for Early Years, Year 2 and Year 6.

In September 2018, the school was inspected by Ofsted and graded as 'Good'. The last SIAMS inspection was in June 2016 when it was graded as 'Outstanding'.

The school had very good academic outcomes in July 2019, which followed on from the success of 2018 when the Year 6 cohort were placed in the top 1% of England for Maths, and sixth overall in Somerset. Early Years Foundation Stage (EYFS) saw 89% of pupils achieving a Good Level of Development. At the end of Key Stage One, 91% of pupils achieved Age Related Expectation (ARE) for Reading and 29% achieved Greater Depth (GD), 86% achieved ARE for Writing and 24% achieved GD; and 95% achieved ARE for Maths and 33% achieved GD. At the end of Year Six, Key Stage 2 outcomes saw Reading at 88%, Writing at 76%, Maths at 82% and SPAG at 88%. The results for this year's Year 6 were again very good in both attainment and progress with the school exceeding Somerset averages.

Brent Knoll pupils enjoy many extra curricula activities, including a variety of sports clubs. Various teams regularly participate in competitions across the Burnham and Bridgwater areas.

East Brent CofE First School

The school was last inspected by Ofsted in December 2013 and judged as 'Good'. The school's last SIAMS inspection was in February 2013 when it was judged as 'Good'.

Pupil numbers have remained constant between 2018 to 2019 although numbers in the pre-school have fallen from 13 to 6.

The school had good academic outcomes in July 2019. Early Years Foundation Stage (EYFS) saw 73% of pupils achieving a Good Level of Development. At the end of Key Stage One, 87% of pupils achieved Age Related Expectation (ARE) for Reading and 27% achieved Greater Depth (GD), 93% achieved ARE for Writing and 27% achieved GD; and 93% achieved ARE for Maths and 20% achieved GD. SEND and disadvantaged pupils made good progress from their starting points.

The joint Chair of Governors from the East Brent and Lympsham LGB resigned in July 2019. Mr Alan Davies was appointed as the new Chair of the joint Local Governing Body. The Executive Headteacher of East Brent

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

CofE First School has also been appointed as the Executive Headteacher of Mark First and Pre-School CofE Academy from 1 September 2019.

The East Brent Pre-school Committee have made a decision to close the charitable organisation join the Pre-school with the First School in Autumn 2019. East Brent First School are awaiting the acquisition of additional land to enable the siting of the Pre-school to be on the school grounds; currently it is situated in the Village Hall.

PE funding was used for 'Inspired Playgrounds' installation which was completed in May 2019, promoting children to take leadership of playground activities, keeping fit and measuring children's level of activity. The PTFA have worked hard to support the school with fundraising events throughout the year.

Hugh Sexey CofE Middle School

There were 600 pupil on roll at the end of 2018-19, a reduction of 14 pupils from the previous year. However, this was mainly due to a large cohort (174 students) leaving at the end of Year 8. The projected roll for 2019-20 is 608.

The school was last inspected by Ofsted in June 2012 when it was judged to be 'Outstanding'. The school's last SIAMS inspection was in September 2017 when it was judged also to be 'Outstanding'.

There have been very strong outcome trends over the last 4 years, building on the excellent work of our first schools. These attainment outcomes show that pupils are working significantly higher than their age-related counterparts across the country. Using the nationally recognised GL assessment the average standardised age score is 100. On exit our Year 8 pupils' English score was 111.2 and Maths was 111.3.

The school's Key Stage 2 outcomes were impressive. Attainment in reading, mathematics and writing was again above the national average. The combined Reading, Writing and Maths (RWM) score was 65% which was in line with the National figure. (Reading 76%, SPAG 76% Maths 81%). However, the reading attainment was disappointing as this was below the expected predictions and resulted in a reduced proportion of year 6 pupils achieving the gold standard of combined reading, mathematics and writing. This year it was in line with the national standard. There were improved outcomes at greater depth as this was a key priority for the year.

The school completed, within budget, the Condition Improvement Fund bid roof refurbishment above the main building ensuring that the area is watertight. A sheltered outdoor seating area and service point at the rear of the school canteen was also completed. The school was successful in securing a £550,000 Condition Improvement Fund bid to demolish 3 temporary classroom and replace them with 4 purpose-built rooms with canopy over linking them and making a bright new learning and communal space for KS3 English and Humanities.

In partnership Selwood Academy, Frome, Hugh Sexey Middle School ran their first Battlefields Trip in which allowed Year 8 pupils to bring to life their work studied in Humanities. The U13 Boys won their pool at the Rosslyn Park & Rugby Tournament and the U13 Boys won the Somerset County Cup in Football. The U12 Girls won the Somerset County Cup in Football. Once again, a pupil in Year 7 won the South West Young Engineers award.

The school had a fantastic year 8 production of Mary Popins and two wonderful cross trust music events at Wells Cathedral and at Hugh Sexey Middle School.

Lympsham CofE Academy and Lympsham Pre-School

The school was last inspected by Ofsted in January 2014 and judged as 'Good'. The school's last SIAMS inspection was in October 2014 when it was judged as 'Outstanding'.

In July 2019, the joint Chair of the Chair of Governors from the East Brent and Lympsham LGB resigned. Mr Alan Davies was appointed as the new Chair of the joint Local Governing Body. The Executive Headteacher of East Brent CofE First School has also been appointed as the Executive Headteacher of Mark First and Pre-School CofE Academy from 1 September 2019.

Pupil numbers have fallen slightly from the previous year from 115 to 105. The numbers in the Pre-school

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

remain similar at 31.

The school had very good academic outcomes in July 2019. Early Years Foundation Stage (EYFS) saw 72% of pupils achieving a Good Level of Development. At the end of Key Stage One, 95% of pupils achieved Age Related Expectation (ARE) for Reading and 52% achieved Greater Depth (GD), 91% achieved ARE for Writing and 19% achieved GD; and 91% achieved ARE for Maths and 19% achieved GD. SEND and disadvantaged pupils made good progress from their starting points.

Early years was successfully moderated in June 2019 with outcomes verified.

The school as awarded £1000 from the Nuttall Trust which will be used towards the cost of installing a new projector in the school hall. PE funding was used for 'Inspired Playgrounds' which was completed in May 2019 promoting children to take leadership of playground activities and keeping fit. The school's PTFA worked hard to continue to support the school with fundraising events throughout the year.

Mark First & Pre-school CE Academy

The school was last inspected by Ofsted in October 2012 when it was judged to be 'Good' with 'Outstanding' Behaviour and Safety of Pupils. In July 2016 the school was inspected by the Diocese of Bath and Wells and was judged to be 'Outstanding' under the National Society for Statutory Inspection of Anglican and Methodist Schools.

The Chair of Governors retired in July 2019 and a new Chair appointed. There was a significant shortfall in governors at the end of the financial year but through a determined recruitment drive six governors were appointed in the beginning of the new academic year. The Headteacher retired in July 2019 and an Executive Headteacher was appointed. The Executive Headteacher oversees three schools. These are East Brent CofE First School, Lympsham CofE Academy and Mark First and Pre-School CofE Academy.

Pupil numbers have fallen slightly from the previous year from 145 to 134. The numbers in the Pre-school have grown from 27 to 35.

The school had good academic outcomes in July 2019. Early Years Foundation Stage (EYFS) saw 77% of pupils achieving a Good Level of Development. At the end of Key Stage One, 93% of pupils achieved Age Related Expectation (ARE) for Reading and 38% achieved Greater Depth (GD), 85% achieved ARE for Writing and 6% achieved GD; and 93% achieved ARE for Maths and 31% achieved GD. SEND and disadvantaged pupils made good progress from their starting points.

The school as reaccredited with the Dyslexia Friendly School Award in June 2019. The Pre-school was awarded £5000 from the Nuttall Trust which will be used towards the planned extension of the school which is due to be completed 2019-20. A quiet area was developed within the playground. The school's PTFA worked hard to continue to support the school with fundraising events throughout the year.

The Kings of Wessex Academy

Kings Academy had another excellent year, both in terms of academic results and student participation.

Kings were delighted to be confirmed as a 'Good' School following an Ofsted inspection in November 2018. Inspectors confirmed that 'Kings is working hard to deliver a shared vision of care and inclusion, alongside academic achievement. There is an ethos where, as one parent stated - pupil well-being is as important as results.'

The number of students on roll in the year ended 31/08/2019 totalled 1,068, an increase of 74 students compared with the previous academic year. This includes 285 students in the Sixth Form, which is an increase of 38 on the previous year.

Kings Sixth Form celebrated fantastic A Level and BTEC results. Nearly a quarter of all grades were A* or A with almost a half being A*, A or B (or equivalent). Year 11 outcomes continued to be strong, with Kings topping the

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

tables in Somerset for the Progress 8 measure. An impressive 75% of students achieved at least a grade 4 in both English and Mathematics (equivalent to the old grades A*-C) whilst 50% of students achieved a grade 5 or higher in both subjects. Initial indications suggest that students at Kings have again made progress significantly above national trends. On the new-style GCSEs 27% of grades were awarded at grades 9 to 7 (equivalent of the old A*-A grades) a figure that is likely to be far ahead of the national average. Provisional data for the Progress 8 measure is 0.39 for whole school, -0.58 for Pupil Premium and -0.24 for SEN

This year Kings have seen the introduction of Focus Days which dedicate time to wider education beyond studying exam courses, a drive to develop students' employability skills, the introduction of additional welfare support, the development of the school's house system and the successful implementation of new vocational courses

The Girls' U18 rugby team became the National Schools Sevens champions. The Academy supported numerous charities and continued to offer a broad range of extra curriculum events and trips including trips to France, Barcelona and Iceland.

Weare Academy First School

The school was last inspected by Ofsted in April 2011 when it was judged to be 'Outstanding'. The Nursery roll grew steadily through year with 19 children starting on roll in September 2018.

Mrs Jones the School's Business Manager was appointed as the joint Business Manager over both Wedmore First School and Weare Academy First School in April 2019.

Weare Academy First School achieved a very good set of National Comparative results. Early Years Foundation Stage (EYFS) saw 76% of pupils achieving a Good Level of Development. At the end of Year One, 89% of pupils met the threshold for the Phonic Screening Test. At the end of Key Stage One, 85% of pupils achieved Age Related Expectation (ARE) for Reading and 47% achieved Greater Depth (GD), 85% achieved ARE for Writing and 41% achieved GD; and 85% achieved ARE for Maths and 47% achieved GD. At the end of Year Four 90% of our pupils achieved Age Related Expectation (ARE) for Reading and 56% achieved Greater Depth (GD), 87% achieved ARE for Writing and 53% achieved GD; and 90% achieved ARE for Maths and 56% achieved GD. SEND and disadvantaged pupils made good progress from their starting points, though their attainment varies to that of above and below that of their peers.

The Academy raised funds for a number of Charities during the year and these included Children in Need, Sports Relief, Secret World, the Royal British Legion, Weston Hospice and the Cheddar Foodbank.

Wedmore First School Academy

The school was last inspected by Ofsted in May 2018 when it was judged to be 'Good'. The Nursery roll grew steadily through year with 18 children starting on roll in September 2018. The Nursery is currently open 50 weeks of the year.

Mrs Jones the School's Business Manager was appointed as the joint Business Manager over both Wedmore First School and Weare Academy First School in April 2019.

Wedmore First School Academy achieved a good set of National Comparative results. Early Years Foundation Stage (EYFS) outcomes continued to improve on the previous year with 86% achieving a Good Level of Development. At the end of Year One, 88% of pupils met the threshold for the Phonic Screening Test. At the end of Key Stage One, 93% of pupils achieved Age Related Expectations (ARE) for Reading and 48% achieved Greater Depth (GD), 75% achieved ARE for Writing and 19% achieved GD; and 86% achieved ARE for Maths and 19% achieved GD. At the end of Year Four, 79% achieved AREs for Reading with 42% achieving Greater Depth. 69% achieved ARE in Writing with 36% at Greater Depth and 76% achieved ARE in Maths with 33% at Greater Depth. SEND and disadvantaged pupils made good progress from their starting points, though their attainment varies to that of above and below their peers.

The Academy has raised funds for a number of Charities during the year and these have included, the Royal British Legion, Children in Need and Sport Relief.

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

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. In the period under review £nil was carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers in the October Census 2018 were:

	Summer 2018 Census Roll	Nursery	Main School Capacity	Sixth Form
Axbridge CofE First School Academy	167	39	175	
Brent Knoll CofE Primary School	130			
East Brent CofE Academy	80		80	
Hugh Sexey CofE Middle School	590		600	
Lympsham CofE Academy	115	30	135	
Mark First & Pre-school CE Academy	146	27	150	
The Kings of Wessex Academy	785		810	285
Weare Academy First School	146	26	150	
Wedmore First School Academy	185	46	210	

Over the coming years, pupil numbers are set to decrease but then begin to increase slowly reflecting the projected demographic growth in the area.

Another key financial performance indicator for the Trust is educational and nursery staffing costs as a percentage of recurring educational and staffing income. During the year ended 31 August 2019 the Trust received £11,837,812 of recurring income from educational and nursery provision (see note 4) and expended £8,866,351 on education and nursery staffing costs (see note 7), which is 74.9%.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy has

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

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 Going concern policy note 1.3.

FINANCIAL REVIEW

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 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The schools in the Trust also receive 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 2019, the SOFA shows that the Trust received total income of £14,715,453 (excluding funds received on conversion of £1,174,487, see note 25) against which the Trust incurred expenditure of £13,951,217 (excluding depreciation of £1,101,457 and LGPS pension valuation movements of £1,059,000, see note 22). The excess of income of expenditure in the year on this basis was £764,236.

At 31 August 2019 the net book value of fixed assets was £32,473,717 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 of the academies were transferred to the Trust upon conversion. Where available, land and buildings valuations have been professionally valued. Where this is not available, a best estimate of the value has been made taking into account purchase price and remaining useful life.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff within the academies which transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details shown in the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial responsibilities of the Board, Chief Executive, Chief Operating Officer, Headteachers, budget holders and other staff as well as delegated authority for spending. Individual academies are responsible for their own policies regarding Charges and Lettings.

Reserves Policy

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

The Trustees have determined that the appropriate level of free reserves should be approximately £1,500,000. The reason for this is that the amount approximates to one month's expenditure and the increased risk from operating the sports and leisure centre within Kings Fitness and Leisure Limited. Reserves will 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. In addition, the reserves are held in the knowledge that some academies set deficit budgets for 2019-20 and are likely to do so in the following year as the Trust adjusts its staffing levels and awaits the implementation of the Fair Funding Formula.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the 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 on the fund, nor any direct impact on the free reserves of the Trust.

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

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the 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 81% of the Trust'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.
- **Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Trust'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 Trust 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 Trust 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 Trust has appointed external auditors 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 Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. The Trust 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 Trust. 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 Trust 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.

Whilst individual school pupil numbers are reasonable, there is a risk to revenue funding from a falling roll. The reduction in post 16 funding levels, the previous freeze on the Government's overall education budget, changes in funding arrangements for High Needs students and increasing employment and premises costs mean that school budgets have no surplus.

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 Local Governing Finance and Human Resources Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

PLANS FOR FUTURE PERIODS

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

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

The Trust hopes to attract other schools into the trust in the coming years. The four schools in the Mendip Edge Federation have been given permission to join the Trust in the spring of 2020 and discussion are ongoing with other interested parties.

Key priorities for the year are contained in the Trust's Improvement Plan which is available on the Trust's website or from the Company Secretary.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

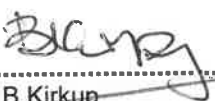
Disclosure of information to auditors

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 Bath Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on and signed on its behalf by:


.....
Mr B Kirkup,
Chair of Trustees

12/12/2019

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of has delegated the day-to-day responsibility to the Chief Executive, 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 Wessex Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year; 5 times at regular meetings and 3 additional at Emergency Meetings.

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

Trustee	Board Meetings attended including AGM	Out of a possible
Mr G M Ball, Chief Executive	8	8
Mr B Kirkup, Chair of Board, Chair of Trustees	4	8
Rev J E G Angle	2	8
Mr J A S Colquhoun (appointed 5 Oct 19)	5	7
Mr A J Davies (resigned 27 Jun 19)	6	8
Ms S T Flavin	5	8
Mrs M F M Getheridge	6	8
Mr P Jacobs	5	8
Ms S A Moreman	7	8
Mr G J Smith	6	8
Mr K J Walke	6	8
Mr G D Woodcock	6	8

Board sub-committee meetings held during the year were attended as follows:

Trustee	Sub Committee Meetings attended	Out of a possible
Mr G Ball, Chief Executive	4	4
Mr B Kirkup, Chair of the Board	1	7
Mr J E G Angle	2	4
Mr J Colquhoun (appointed 5 Oct 19)	3	4
Mr A J Davies (resigned 27 Jun 19)	3	4
Mrs S T Flavin	2	7
Mrs M Getheridge	4	4
Mr P Jacobs	4	4
Mrs S A Moreman	7	7
Mr G J Smith	6	7
Mr K J Walke	7	7
Mr G D Woodcock	3	4

All academies within the Trust continue to hold regular Local Governing Body meetings including sub-committee meetings focussing on Finance and Human Resources, and Teaching and Learning. This supports the Trust to

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

ensure financial controls are embedded to individual academy level and focus is maintained on learning.

The Trust Board formed a Task Finish Group comprising four Trustees, the Chief Executive and the Chief Operating Officer. The remit of the group was to examine the Trust's governance structure and in particular the Scheme of Governance. The Scheme of Governance was significantly reshaped with the document shaped into three parts. Part one described the Governance Structure; Part two listed the Delegation Matrix; Part three provided supporting documents including terms of reference and the Trust's steps for introducing new academies and dealing with those academies that gave cause for concern. The Trust Board also considered those Trustees that had a dual role as both a Governor and a Trustee. It was agreed that such individuals would choose between remaining a Trustee or a Governor but not both. This led to the resignation of Mr A Davies.

The Trust's Scheme of Governance was concluded in June 2019 and then independently reviewed by an individual from the National Leader of Governance. The review concluded that the Trust had good governance and that with some changes it could have outstanding governance. The Trust Board also completed a skills audit which concluded that the Board had appropriate skills in all governance areas. The appointment of future Trustees would continue to be based on the skills required by the Trust Board and those offered by the individual.

REVIEW OF VALUE FOR MONEY

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

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

- Trustees reviewing the budget.
- Value for money purchasing.
- Seeking collective purchasing on a Trust wide basis wherever possible bringing economies of scale, improved efficiencies and greater value.
- Deploying staff effectively and robustly examining staffing costs at all levels so that the cost of staff as a percentage of academy's GAG remains at an acceptable level.
- Making comparisons with similar Academies using data provided by the EFSA, the Government and the Trust's accountants.
- Challenging staffing costs in excessive of 80% of GAG.
- Challenging proposals and examining their effectiveness and efficiency.
- Reviewing the quality of curriculum provision and quality of teaching.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Encouraging all academy Business Managers/Finance Managers to regularly meet both internally but also amongst peers at regional level to compare ideas, suppliers and good practice.
- Ensuring that Local Governing Body Finance Committees are regularly reviewing and approving appropriate transactions in accordance with the Trust's agreed Finance Policy.

GOVERNANCE STATEMENT (CONTINUED)

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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Wessex Learning Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by Local Governing Bodies and overseen by the Board of Trustees;
- regular reviews by Local Governing Body of the Finance and Human Resources Committees of reports which indicate financial performance against forecasts and major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has plans to establish an Audit Committee to undertake a programme of internal checks which will be supplemented by additional checks performed by Bishop Fleming LLP. The last internal audit of the Trust was undertaken in April 2019.

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF EFFECTIVENESS

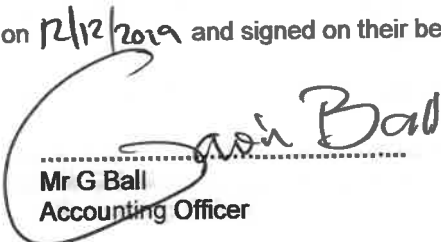
As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by external auditor 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 12/12/2019 and signed on their behalf by:


.....
Mr B Kirkup
Chair of Trustees


.....
Mr G Ball
Accounting Officer

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Wessex Learning Trust I have considered my responsibility to notify the Trust Board and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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.

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

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 Trust Board and ESFA.


Mr G Ball
Accounting Officer

Date: 12/12/2019

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 ESFAD/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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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


.....
Mr B Kirkup
Chair of Trustees

12/12/2019

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WESSEX LEARNING TRUST**

OPINION

We have audited the financial statements of Wessex Learning Trust (the 'parent Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 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 Group's and of the parent Academy's affairs as at 31 August 2019 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WESSEX LEARNING 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 Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent Academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy 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.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WESSEX LEARNING TRUST (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy 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 Group's and the parent Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Academy 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. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Morrison FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: 17/12/2017

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WESSEX
LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 7 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wessex Learning Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF WESSEX LEARNING TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Wessex Learning Trust's funding agreement with the Secretary of State for Education dated 1 June 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

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



Simon Morrison FCA

**Bishop Fleming Bath Limited
Minerva House
Lower Bristol Road
Bath
BA2 9ER**

Date: 17/12/2019

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants:	3					
Transfer from LA on conversion		134,487	(345,000)	1,385,000	1,174,487	-
Other donations and capital grants		-	897,164	-	897,164	665,912
Charitable activities	4	1,081,714	11,326,991	-	12,408,705	12,045,015
Other trading activities		1,409,130	-	-	1,409,130	1,350,984
Investments	6	2,225	-	-	2,225	2,956
TOTAL INCOME		2,627,556	11,879,155	1,385,000	15,891,711	14,064,867
EXPENDITURE ON:						
Raising funds		1,015,786	63,000	35,497	1,114,283	1,096,036
Charitable activities		1,957,788	11,972,718	1,065,960	14,996,466	14,486,458
TOTAL EXPENDITURE		2,973,574	12,035,718	1,101,457	16,110,749	15,582,494
NET (EXPENDITURE)/ INCOME		(346,018)	(156,563)	283,543	(219,038)	(1,517,627)
Transfers between funds	20	-	(646,789)	646,789	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(346,018)	(803,352)	930,332	(219,038)	(1,517,627)
Actuarial losses on defined benefit pension schemes	26	-	(1,655,000)	-	(1,655,000)	1,072,000
NET MOVEMENT IN FUNDS		(346,018)	(2,458,352)	930,332	(1,874,038)	(445,627)
RECONCILIATION OF FUNDS:						
Total funds brought forward		2,584,976	(5,004,419)	31,368,412	28,948,969	29,394,596
Net movement in funds		(346,018)	(2,458,352)	930,332	(1,874,038)	(445,627)
TOTAL FUNDS CARRIED FORWARD		2,238,958	(7,462,771)	32,298,744	27,074,931	28,948,969

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07348580**

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
FIXED ASSETS			
CURRENT ASSETS	14	32,473,717	31,506,288
Stocks		2,307	2,307
Debtors	16	309,378	347,924
Investments	17	106,504	104,365
Cash at bank and in hand		3,226,890	3,207,609
		<u>3,645,079</u>	<u>3,662,205</u>
Creditors: amounts falling due within one year	18	(1,006,865)	(896,524)
NET CURRENT ASSETS		2,638,214	2,765,681
TOTAL ASSETS LESS CURRENT LIABILITIES		35,111,931	34,271,969
Defined benefit pension scheme liability	26	(8,037,000)	(5,323,000)
TOTAL NET ASSETS		27,074,931	28,948,969
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	20	32,298,744	31,368,412
Restricted income funds	20	574,229	318,581
Pension reserve	20	(8,037,000)	(5,323,000)
Total restricted funds	20	24,835,973	26,363,993
Unrestricted income funds	20	2,238,958	2,584,976
TOTAL FUNDS		27,074,931	28,948,969

The financial statements on pages 26 to 63 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



Mr B Kirkup
Chair of Trustees



Mr G M Ball
Accounting Officer

The notes on pages 30 to 63 form part of these financial statements.

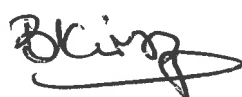
12/12/2019

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07348580**

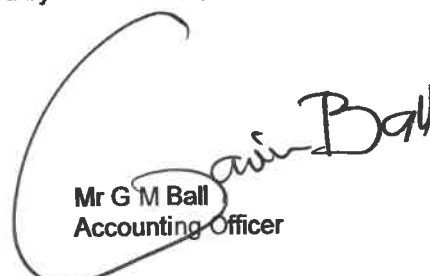
**ACADEMY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	14	32,375,394	31,409,565
Investments	15	1	1
		<u>32,375,395</u>	<u>31,409,566</u>
CURRENT ASSETS			
Stocks		2,307	2,307
Debtors	16	589,049	673,791
Cash at bank and in hand		2,639,986	2,751,635
		<u>3,231,342</u>	<u>3,427,733</u>
Creditors: amounts falling due within one year	18	(877,493)	(781,939)
		<u>2,353,849</u>	<u>2,645,794</u>
NET CURRENT ASSETS			2,645,794
TOTAL ASSETS LESS CURRENT LIABILITIES		34,729,244	34,055,360
Defined benefit pension scheme liability	26	(7,569,000)	(5,062,000)
TOTAL NET ASSETS		27,160,244	28,993,360
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	20	32,375,394	31,390,360
Restricted income funds	20	565,481	318,581
Pension reserve	20	(7,569,000)	(5,062,000)
Total restricted funds	20	25,371,875	26,646,941
Unrestricted income funds	20	1,788,369	2,346,419
TOTAL FUNDS		27,160,244	28,993,360

The financial statements on pages 26 to 63 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



Mr B Kirkup
Chair of Trustees



Mr G M Ball
Accounting Officer

The notes on pages 30 to 63 form part of these financial statements.

12/12/2019

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	22	1,118,524	(184,944)
CASH FLOWS FROM INVESTING ACTIVITIES			
	23	(1,099,951)	(511,621)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		18,573	(696,565)
Cash and cash equivalents at the beginning of the year		3,311,974	4,008,539
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24	<u><u>3,330,547</u></u>	<u><u>3,311,974</u></u>

The notes on pages 30 to 63 form part of these financial statements

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1. 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**

Grants are included in the Consolidated 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 Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year 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 year it is receivable and to the extent the Academy has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the Academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Expenditure on raising funds**

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

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

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 Consolidated 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 Consolidated 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 basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Long-term leasehold land	- 125 years straight line
Furniture and equipment	- 20% - 25% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 20% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

1.7 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

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

1. ACCOUNTING POLICIES (continued)

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 DEBTORS

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

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 FINANCIAL INSTRUMENTS

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.13 OPERATING LEASES

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

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

1. ACCOUNTING POLICIES (continued)

1.14 PENSIONS

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated 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.

1.15 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an Academy involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Brent Knoll Primary School to the Academy have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Consolidated Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 25.

1.16 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 30.

1. ACCOUNTING POLICIES (continued)

1.17 FUND ACCOUNTING

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

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

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy 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.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer from Local Authority on conversion	134,487	(345,000)	1,385,000	1,174,487	-
Total income on conversion	134,487	(345,000)	1,385,000	1,174,487	-
Trips and other donations	-	134,852	-	134,852	275,439
Capital Grants	-	762,312	-	762,312	390,473
SUBTOTAL	-	897,164	-	897,164	665,912
TOTAL 2019	134,487	552,164	1,385,000	2,071,651	665,912
TOTAL 2018	-	654,829	11,083	665,912	

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	18,598	18,598	22,389
Copy Shop	1,163	1,163	2,075
Consultancy	8,418	8,418	39,174
Fees received	90,884	90,884	73,783
TOTAL 2019	119,063	119,063	137,421

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Education	570,893	11,326,991	11,897,884	11,645,630
Nursery	510,821	-	510,821	399,385
TOTAL 2019	<u>1,081,714</u>	<u>11,326,991</u>	<u>12,408,705</u>	<u>12,045,015</u>
TOTAL 2018	<u>1,089,750</u>	<u>10,955,265</u>	<u>12,045,015</u>	

5. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DFE/ESFA GRANTS				
General Annual Grant	-	10,355,292	10,355,292	10,123,759
Start Up Grants	-	25,000	25,000	-
Pupil Premium	-	340,926	340,926	320,184
Other DfE/ESFA Grants	-	391,314	391,314	284,876
	-	11,112,532	11,112,532	10,728,819
Other Government Grants				
High Needs Income	-	105,436	105,436	142,176
Other Local Authority Grants	-	109,023	109,023	84,270
	-	214,459	214,459	226,446
Other Funding				
Internal catering income	296,879	-	296,879	307,989
Sales to students	85,727	-	85,727	64,575
Other income	30,065	-	30,065	31,063
Trip income	158,222	-	158,222	286,738
	570,893	-	570,893	690,365
	570,893	11,326,991	11,897,884	11,645,630
TOTAL 2018	<u>690,365</u>	<u>10,955,265</u>	<u>11,645,630</u>	

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

6. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	2,225	2,225	2,956

7. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:					
Direct costs	551,960	35,497	526,826	1,114,283	1,096,036
EDUCATION:					
Direct costs	8,382,718	879,178	652,214	9,914,110	9,378,058
Support costs	2,179,775	750,747	1,616,025	4,546,547	4,686,449
NURSERY:					
Direct costs	483,633	-	-	483,633	351,843
Support costs	-	50,200	1,976	52,176	70,108
	<u>11,598,086</u>	<u>1,715,622</u>	<u>2,797,041</u>	<u>16,110,749</u>	<u>15,582,494</u>
TOTAL 2018	<u>10,847,410</u>	<u>1,596,665</u>	<u>3,138,419</u>	<u>15,582,494</u>	

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	9,914,110	4,546,547	14,460,657	14,064,507
Nursery	483,633	52,176	535,809	421,951
	<u>10,397,743</u>	<u>4,598,723</u>	<u>14,996,466</u>	<u>14,486,458</u>
TOTAL 2018	<u><u>9,736,557</u></u>	<u><u>4,749,901</u></u>	<u><u>14,486,458</u></u>	

Analysis of direct costs

	Education 2019 £	Nursery 2019 £	Total funds 2019 £	Total funds 2018 £
Pension income	70,000	-	70,000	66,512
Staff costs	8,322,227	483,633	8,805,860	8,324,857
Depreciation	879,178	-	879,178	782,265
Educational supplies	264,060	-	264,060	215,289
Examination fees	167,621	-	167,621	145,500
Staff development	54,548	-	54,548	43,095
Other costs	95,985	-	95,985	100,117
Supply teachers	60,491	-	60,491	58,922
	<u>9,914,110</u>	<u>483,633</u>	<u>10,397,743</u>	<u>9,736,557</u>
TOTAL 2018	<u><u>9,384,714</u></u>	<u><u>351,843</u></u>	<u><u>9,736,557</u></u>	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education 2019 £	Nursery 2019 £	Total funds 2019 £	Total funds 2018 £
Pension income	84,000	-	84,000	86,488
Staff costs	2,179,775	-	2,179,775	2,017,755
Depreciation	186,782	-	186,782	174,216
Staff development	375	-	375	544
Other costs	357,563	3,052	360,615	544,277
Recruitment and support	17,075	-	17,075	18,063
Maintenance of premises and equipment	250,330	12,359	262,689	437,930
Cleaning	79,352	9,862	89,214	66,566
Rent and rates	107,566	-	107,566	91,934
Energy costs	126,716	26,903	153,619	243,411
Insurance	67,993	-	67,993	95,527
Security and transport	95,083	-	95,083	44,288
Catering	346,813	-	346,813	337,699
Technology costs	208,001	-	208,001	185,057
Office overheads	180,890	-	180,890	157,782
Legal and professional	249,530	-	249,530	247,508
Bank interest and charges	8,703	-	8,703	856
	<u>4,546,547</u>	<u>52,176</u>	<u>4,598,723</u>	<u>4,749,901</u>
TOTAL 2018	<u>4,679,793</u>	<u>70,108</u>	<u>4,749,901</u>	

9. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	1,101,457	970,882
Fees paid to auditors for:		
- audit	14,500	14,500
- other services	8,200	8,200
	<u>1,124,157</u>	<u>1,001,582</u>

Included within Auditors' remuneration is £13,500 (2018: £13,000) relating to the Academy and £1,500 (2018: £1,500) relating to the trading subsidiary.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

10. STAFF COSTS

a. STAFF COSTS

Staff costs during the year were as follows:

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
Wages and salaries	8,692,311	8,213,156	8,258,753	7,813,972
Social security costs	741,809	705,568	720,785	687,161
Pension costs	2,103,475	1,917,223	2,006,097	1,841,479
	<u>11,537,595</u>	<u>10,835,947</u>	<u>10,985,635</u>	<u>10,342,612</u>
Staff restructuring costs	7,878	10,670	-	-
	<u><u>11,545,473</u></u>	<u><u>10,846,617</u></u>	<u><u>10,985,635</u></u>	<u><u>10,342,612</u></u>

Staff restructuring costs comprise:

	Group 2019 £	Group 2018 £
Severance payments	7,878	10,670
	<u>7,878</u>	<u>10,670</u>

b. STAFF NUMBERS

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

	Group 2019 No.	Group 2018 No.
Teachers	148	138
Teaching support staff	222	185
Administrative & technical	58	62
Leisure Centre	20	19
Management	14	16
	<u>462</u>	<u>420</u>

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

10. STAFF COSTS (CONTINUED)

b. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	Group 2019 No.	Group 2018 No.
Teachers	123	121
Teaching support staff	106	112
Administrative & technical	38	41
Leisure Centre	20	19
Management	13	14
	<u>300</u>	<u>307</u>

c. HIGHER PAID STAFF

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

	Group 2019 No.	Group 2018 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	2	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
	<u>1</u>	<u>-</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and certain members of the Academy Leadership Group as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by 7 (2018: 6) employees considered to be key management personnel for their services to the Academy Trust was £518,178 (2018: £479,930).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

11. CENTRAL SERVICES

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

The Group charges for these services on the following basis:

4% of GAG funding received in year

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Axbridge Church of England First School Academy	24,764	17,467
Brent Knoll Primary	-	-
East Brent Church of England First School	18,324	10,109
Hugh Sexey Middle School	94,981	66,099
Lympsham Free School	18,237	13,867
Mark First School	21,108	15,402
Kings of Wessex Academy	180,368	142,941
Weare Academy	22,500	16,450
Wedmore Free School	36,236	22,167
TOTAL	416,518	304,502

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: G Ball: Remuneration £100,000 - £105,000 (2018: £95,000 - £100,000) Employer's pension contributions £15,000 - £20,000 (2018: £15,000 - £20,000).

During the year ended 31 August 2019, expenses totalling £301 were reimbursed to 1 Trustee (2018 none).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Group 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. The cost of this insurance is included in the total insurance cost.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

14. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2018	33,930,690	969,910	547,841	28,633	35,477,074
Additions	503,766	103,613	70,591	5,916	683,886
Transfers intra group	1,200,000	185,000	-	-	1,385,000
At 31 August 2019	<u>35,634,456</u>	<u>1,258,523</u>	<u>618,432</u>	<u>34,549</u>	<u>37,545,960</u>
DEPRECIATION					
At 1 September 2018	2,871,534	679,124	396,155	23,973	3,970,786
Charge for the year	688,417	251,724	154,406	6,910	1,101,457
At 31 August 2019	<u>3,559,951</u>	<u>930,848</u>	<u>550,561</u>	<u>30,883</u>	<u>5,072,243</u>
NET BOOK VALUE					
At 31 August 2019	<u><u>32,074,505</u></u>	<u><u>327,675</u></u>	<u><u>67,871</u></u>	<u><u>3,666</u></u>	<u><u>32,473,717</u></u>
At 31 August 2018	<u><u>31,059,156</u></u>	<u><u>290,786</u></u>	<u><u>151,686</u></u>	<u><u>4,660</u></u>	<u><u>31,506,288</u></u>

Where the Trust occupies land and buildings owned by the Bath and Wells Diocese under a Church Supplemental Agreement, the Trust recognises these land and buildings as tangible fixed assets. The Supplemental Agreement includes the right for the Trustees of the Bath and Wells Diocese to give not less than two years written notice to the Trust and the Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

14. TANGIBLE FIXED ASSETS (CONTINUED)

ACADEMY

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2018	33,930,690	829,522	547,841	28,633	35,336,686
Additions	503,766	66,516	70,591	5,916	646,789
Transfers intra group	1,200,000	185,000	-	-	1,385,000
At 31 August 2019	<u>35,634,456</u>	<u>1,081,038</u>	<u>618,432</u>	<u>34,549</u>	<u>37,368,475</u>
DEPRECIATION					
At 1 September 2018	2,871,534	635,459	396,155	23,973	3,927,121
Charge for the year	688,417	216,227	154,406	6,910	1,065,960
At 31 August 2019	<u>3,559,951</u>	<u>851,686</u>	<u>550,561</u>	<u>30,883</u>	<u>4,993,081</u>
NET BOOK VALUE					
At 31 August 2019	<u>32,074,505</u>	<u>229,352</u>	<u>67,871</u>	<u>3,666</u>	<u>32,375,394</u>
At 31 August 2018	<u>31,059,156</u>	<u>194,063</u>	<u>151,686</u>	<u>4,660</u>	<u>31,409,565</u>

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

15. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Academy	
COST OR VALUATION	
At 1 September 2018	1
	<hr/>
AT 31 AUGUST 2019	1
	<hr/> <hr/>
NET BOOK VALUE	
	<hr/>
AT 31 AUGUST 2019	1
	<hr/>
<i>AT 31 AUGUST 2018</i>	<i>1</i>
	<hr/> <hr/>

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Academy:

Name	Principal activity	Holding	Included in consolidation
Kings of Wessex Fitness and Leisure Limited	Operation of a lesiure centre	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net liabilities £
Kings of Wessex Fitness and Leisure Limited	1,028,327	(975,527)	52,800	(74,846)

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

16. DEBTORS

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
DUE WITHIN ONE YEAR				
Trade debtors	6,516	2,724	6,516	2,724
Amounts owed by group undertakings	-	-	300,000	358,184
VAT repayable	33,210	47,102	30,941	47,102
Prepayments and accrued income	258,105	271,149	249,022	262,066
Other debtors	11,547	26,949	2,570	3,715
	309,378	347,924	589,049	673,791

17. CURRENT ASSET INVESTMENTS

	Group 2019 £	Group 2018 £
Fixed term deposits	106,504	104,365

Fixed term deposits represent cash funds held in unbreakable interest bearing fixed term accounts redeemable between three months and one year.

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
Trade creditors	197,735	127,106	172,643	90,900
Other taxation and social security	185,932	178,539	179,763	173,091
Other creditors	247,317	223,467	231,040	206,694
Accruals and deferred income	375,881	367,412	294,047	311,254
	1,006,865	896,524	877,493	781,939
	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
Deferred income at 1 September 2018	221,298	207,682	165,139	169,230
Resources deferred during the year	255,244	221,298	173,610	165,139
Amounts released from previous periods	(221,298)	(207,682)	(173,610)	(169,230)
	255,244	221,298	165,139	165,139

£81,834 of deferred income (2018: £56,159) is in respect of annual memberships of the Leisure facilities. The remainder is in relation to funds received in advance from the ESFA for Universal Infant Free School Meals income and from parents for educational visits in the 2018/19 academic year.

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

19. FINANCIAL INSTRUMENTS

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	3,333,394	3,311,974	2,639,986	2,751,635
Financial assets that are debt instruments measured at amortised cost	242,380	223,738	533,403	558,687
	<u>3,575,774</u>	<u>3,535,712</u>	<u>3,173,389</u>	<u>3,310,322</u>
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost	(565,489)	(496,688)	(524,120)	(443,709)

Financial assets measured at fair value through income and expenditure comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	1,547,568	1,337,489	(1,535,997)	-	-	1,349,060
Leisure centre	1,037,408	1,290,067	(1,437,577)	-	-	889,898
	<u>2,584,976</u>	<u>2,627,556</u>	<u>(2,973,574)</u>	<u>-</u>	<u>-</u>	<u>2,238,958</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	16,093	9,920,506	(9,791,375)	(145,224)	-	-
Other DfE/ESFA Income	-	515,624	(497,877)	-	-	17,747
Pupil Premium	-	340,926	(340,926)	-	-	-
Condition Improvement Fund Income	277,158	550,744	-	(330,240)	-	497,662
Devolved formula capital	25,330	204,815	-	(171,325)	-	58,820
High needs income	-	105,436	(105,436)	-	-	-
Other local authority income	-	64,592	(64,592)	-	-	-
Trips income	-	137,940	(137,940)	-	-	-
Donations and other income	-	38,572	(38,572)	-	-	-
Pension reserve	(5,323,000)	-	(1,059,000)	-	(1,655,000)	(8,037,000)
	<u>(5,004,419)</u>	<u>11,879,155</u>	<u>(12,035,718)</u>	<u>(646,789)</u>	<u>(1,655,000)</u>	<u>(7,462,771)</u>

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred into the Trust	26,925,672	1,385,000	(930,342)	-	-	27,380,330
Fixed assets purchased from GAG and other restricted funds	2,027,139	-	(90,980)	510,313	-	2,446,472
DfE/ESFA capital grants	2,415,601	-	(80,135)	136,476	-	2,471,942
	<u>31,368,412</u>	<u>1,385,000</u>	<u>(1,101,457)</u>	<u>646,789</u>	<u>-</u>	<u>32,298,744</u>
TOTAL RESTRICTED FUNDS	<u>26,363,993</u>	<u>13,264,155</u>	<u>(13,137,175)</u>	<u>-</u>	<u>(1,655,000)</u>	<u>24,835,973</u>
TOTAL FUNDS	<u>28,948,969</u>	<u>15,891,711</u>	<u>(16,110,749)</u>	<u>-</u>	<u>(1,655,000)</u>	<u>27,074,931</u>

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

RESTRICTED FUNDS

The General Annual Grant (GAG) - This represents Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs. During the year £136,476 (2018: £841,525) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

High Needs Funding - This represents funding received from the Local Authority to fund further support for students with additional needs.

Pupil Premium - This represents funding received from the ESFA for disadvantaged children to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Start-up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a single unit Academy to a Multi-Academy Trust.

Condition Improvement fund income - These funds are received 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 DfE/ESFA Income - This represents funding received from the ESFA for the contribution to the Academy Trust's cost of business rates.

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

20. STATEMENT OF FUNDS (CONTINUED)

Other LA income - This represents funding received of in relation to PFSA and other grants from Somerset County Council

Donations - This represents donations received for a specific purpose by pupil parents and other fundraising activities by the Trust.

Trips income - This represents voluntary contributions made by parents for educational school trips that have taken place during the period.

Pension reserve - This represents the Trust'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 Trust. The year end deficit balance is £8,352,000.

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred into the Trust - This represents the buildings and equipment donated to the School from the Local Authority and Bath and Wells Diocese on conversion to an Academy status; these have then been transferred into the Trust.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG funding received from the ESFA.

DfE/ESFA Capital grants represents funding received from the Capital Improvement Fund to cover the maintenance and purchase of the Trust's assets.

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

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Axbridge Church of England First School Academy	63,562	290,888
Brent Knoll Primary School	141,404	-
East Brent Church of England First School	95,261	108,811
Hugh Sexey Church of England Middle School	292,848	127,270
The Kings of Wessex Academy	546,785	692,237
Lympsham Church of England Academy	146,774	183,110
Mark First and Pre-School CE Academy	214,602	186,290
Weare Academy First School	48,709	108,631
Wedmore First School Academy	105,067	39,071
Central services	(229,234)	(147,319)
Kings of Wessex Fitness and Leisure - trading subsidiary	889,898	1,037,408
Condition Improvement Fund	497,662	277,158
Total before fixed asset funds and pension reserve	<u>2,813,338</u>	<u>2,903,555</u>
Restricted fixed asset fund	32,298,744	31,368,412
Pension reserve	(8,037,000)	(5,323,000)
TOTAL	<u><u>27,075,082</u></u>	<u><u>28,948,967</u></u>

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Axbridge Church of England First School Academy	520,884	182,592	17,581	163,690	884,747	783,127
Brent Knoll Church of England School	186,039	21,635	2,617	70,639	280,930	-
East Brent Church of England First School	262,393	54,816	10,976	112,437	440,622	420,483
Hugh Sexey Church of England Middle School	1,822,978	322,707	49,412	585,596	2,780,693	2,656,353
The Kings of Wessex Academy	3,638,518	728,090	106,987	1,092,939	5,566,534	5,656,989
Lympsham Church of England Academy	297,895	220,265	25,575	162,050	705,785	703,857
Mark First and Pre- School CE Academy	398,744	191,208	18,833	159,434	768,219	754,785
Weare Academy First School	431,089	179,329	19,699	156,040	786,157	755,754
Wedmore First School Academy	507,287	287,141	12,380	146,472	953,280	1,045,252
Central services	-	99,863	-	-	99,863	140,572
Kings of Wessex Fitness and Leisure - trading subsidiary	-	529,960	-	555,826	1,085,786	1,096,036
	8,065,827	2,817,606	264,060	3,205,123	14,352,616	14,013,208

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Designated Funds	475,270	-	-	(475,270)	-	-
GENERAL FUNDS						
General Funds	599,773	1,230,127	(757,602)	475,270	-	1,547,568
General funds	872,615	1,213,563	(1,048,770)	-	-	1,037,408
	<u>1,472,388</u>	<u>2,443,690</u>	<u>(1,806,372)</u>	<u>475,270</u>	<u>-</u>	<u>2,584,976</u>
TOTAL UNRESTRICTED FUNDS	<u>1,947,658</u>	<u>2,443,690</u>	<u>(1,806,372)</u>	<u>-</u>	<u>-</u>	<u>2,584,976</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,763,110	10,123,749	(11,117,228)	(753,538)	-	16,093
Other DfE/ESFA Income	-	284,876	(284,876)	-	-	-
Pupil Premium Condition Improvement Fund Income	-	320,184	(320,184)	-	-	-
Devolved formula capital	-	305,494	-	(28,336)	-	277,158
High needs income	-	84,981	-	(59,651)	-	25,330
Other local authority income	-	142,176	(142,176)	-	-	-
Trips income	-	84,270	(84,270)	-	-	-
Donations and other income	-	155,969	(155,969)	-	-	-
Pension reserve	-	99,537	(99,537)	-	-	-
	(5,794,000)	-	(601,000)	-	1,072,000	(5,323,000)
	<u>(4,030,890)</u>	<u>11,601,236</u>	<u>(12,805,240)</u>	<u>(841,525)</u>	<u>1,072,000</u>	<u>(5,004,419)</u>

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred into the Trust	27,773,032	-	(847,360)	-	-	26,925,672
Fixed assets purchased from GAG and other restricted funds	1,324,135	-	(50,535)	753,538	-	2,027,138
DfE/ESFA capital grants	2,380,660	19,943	(72,988)	87,987	-	2,415,602
	<u>31,477,827</u>	<u>19,943</u>	<u>(970,883)</u>	<u>841,525</u>	<u>-</u>	<u>31,368,412</u>
TOTAL RESTRICTED FUNDS	<u>27,446,937</u>	<u>11,621,179</u>	<u>(13,776,123)</u>	<u>-</u>	<u>1,072,000</u>	<u>26,363,993</u>
TOTAL FUNDS	<u>29,394,595</u>	<u>14,064,869</u>	<u>(15,582,495)</u>	<u>-</u>	<u>1,072,000</u>	<u>28,948,969</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	174,973	-	32,298,744	32,473,717
Current assets	2,063,985	1,581,094	-	3,645,079
Creditors due within one year	-	(1,006,865)	-	(1,006,865)
Provisions for liabilities and charges	-	(8,037,000)	-	(8,037,000)
TOTAL	<u>2,238,958</u>	<u>(7,462,771)</u>	<u>32,298,744</u>	<u>27,074,931</u>

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	137,875	-	31,368,413	31,506,288
Current assets	2,591,195	1,070,489	-	3,661,684
Creditors due within one year	(144,615)	(751,910)	-	(896,525)
Provisions for liabilities and charges	-	(5,323,000)	-	(5,323,000)
TOTAL	2,584,455	(5,004,421)	31,368,413	28,948,447

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

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(219,038)	(1,517,627)
ADJUSTMENTS FOR:		
Depreciation	1,101,457	970,882
Capital grants from DfE and other capital income	(755,559)	(383,721)
Interest receivable	(2,225)	(2,956)
Defined benefit pension scheme obligation inherited	345,000	-
Defined benefit pension scheme cost less contributions payable	349,000	505,000
Defined benefit pension scheme finance cost	154,000	96,000
Decrease/(increase) in debtors	35,520	(20,902)
Increase in creditors	110,369	172,745
Dividends, interest and rents from investments	-	(4,365)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	1,118,524	(184,944)

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

23. CASH FLOWS FROM INVESTING ACTIVITIES

	Group 2019 £	Group 2018 £
Interest receivable	2,225	7,321
Purchase of tangible fixed assets	(683,886)	(902,662)
Capital grants from DfE Group	755,559	383,720
Assets and liabilities acquired on conversion	(1,173,849)	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,099,951)</u>	<u>(511,621)</u>

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2019 £	Group 2018 £
Cash in hand	3,224,043	3,207,609
Current asset investments	106,504	104,365
TOTAL CASH AND CASH EQUIVALENTS	<u>3,330,547</u>	<u>3,311,974</u>

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

25. CONVERSION TO AN ACADEMY TRUST

On 22 March 2019 Brent Knoll Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Wessex Learning Trust from Somerset County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Consolidated Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Consolidated Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated Statement of Financial Activities.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS			
Freehold land and buildings	-	1,200,000	1,200,000
Other tangible fixed assets	-	185,000	185,000
CURRENT ASSETS			
Cash - representing budget surplus on LA funds	612,039	-	612,039
CURRENT LIABILITIES			
Wageroll	(477,552)	-	(477,552)
NET ASSETS	<u>134,487</u>	<u>1,385,000</u>	<u>1,519,487</u>

26. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £185,732 were payable to the schemes at 31 August 2019 (2018 - £174,581) and are included within creditors.

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

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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers 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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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 £218,000 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
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £855,041 (2018 - £847,180).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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 2019 was £725,000 (2018 - £743,000), of which employer's contributions totalled £560,000 (2018 - £569,000) and employees' contributions totalled £ 165,000 (2018 - £174,000). The agreed contribution rates for future years are 20.9 per cent for employers and 5.5% - 12.5% per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.65	3.75
Rate of increase for pensions in payment / inflation	2.15	2.25
Discount rate for scheme liabilities	1.9	2.8
Inflation assumption (CPI)	2.15	2.25

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.7	24
Females	23.8	25.1
<i>Retiring in 20 years</i>		
Males	24	26.2
Females	25.3	27.4

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	4,593,000	3,855,000
Corporate Bonds	971,000	784,000
Property	538,000	467,000
Cash	395,000	280,000
Other	-	6,000
TOTAL MARKET VALUE OF ASSETS	6,497,000	5,392,000

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

26. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £323,000 (2018 - £219,000).

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

	2019 £	2018 £
Current service cost	(951,000)	(1,017,000)
Interest income	152,000	117,000
Interest cost	(306,000)	(270,000)
Total	(1,105,000)	(1,170,000)

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

	2019 £	2018 £
Opening defined benefit obligation	8,755,000	10,405,000
Current service cost	(875,000)	(941,000)
Interest cost	306,000	270,000
Employee contributions	181,000	174,000
Actuarial losses/(gains)	1,829,000	(955,000)
Benefits paid	(228,000)	(198,000)
Past service cost	211,000	-
Business combinations	543,000	-
Closing defined benefit obligation	10,722,000	8,755,000

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

	2019 £	2018 £
Opening fair value of scheme assets	5,390,000	4,611,000
Interest income	161,000	126,000
Actuarial gains/(losses)	174,000	117,000
Employer contributions	602,000	569,000
Employee contributions	181,000	174,000
Benefits paid	(228,000)	(198,000)
Business combinations	198,000	-
Administrative expenses	(9,000)	(9,000)
Closing fair value of scheme assets	6,469,000	5,390,000

**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

27. OPERATING LEASE COMMITMENTS

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

	Group 2019 £	Group 2018 £
Not later than 1 year	44,236	61,586
Later than 1 year and not later than 5 years	45,323	82,229
	<u>89,559</u>	<u>143,815</u>

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. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Included within debtors due within one year is £250,000 (2018: £358,183) due from Kings of Wessex Fitness and Leisure Limited, a wholly owned subsidiary of the Trust.

30. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2019 the Trust received £12,017 and disbursed £1,600 from the fund. An amount of £36,553 included in other creditors relating to undistributed funds that is repayable to the ESFA.

