



Annual Report **2020**



Wessex
Learning Trust
We Learn Together!

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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

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**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 (resigned 23 October 2020) Mr G M Ball, Chief Executive Officer Mr J A S Colquhoun Ms S T Flavin (resigned 15 November 2019) Mrs M F M Getheridge Ms M Casey (appointed 18 March 2020) 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 Mr P Jacobs Mr P Jenkins (appointed 18 March 2020) Ms M Misom (appointed 18 March 2020) Ms P Parfitt (appointed 18 March 2020)
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

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

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

Bankers

Lloyds
Bath Street
Cheddar
BS27 3AB

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

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

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust 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 845. On roll as at the summer school census 2020 were 2,978 pupils with an additional 297 pupils in the Sixth Form and 219 children in nursery provision.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of Wessex Learning Trust are also the directors of the charitable company and the Group for the purposes of company law. The Charitable Company is known as the Wessex Learning Trust.

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

Members' Liability

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

Trustees' Indemnities

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.

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 Members agreed that they and the Trust Board would ensure that no individual would have a dual role as a Member/Trustee and a Governor. Three Members therefore resigned and were replaced with other individuals. One Trustee also resigned and was replaced.

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

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

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.
- 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 (Risk Strategy and Audit, 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.

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

Where the Governing Body has limited numbers of Governors, the above committees can be included within the main Governing Body provided meetings clearly discuss the above requirements. The Trust also permits, where there is good justification, a Governing Body over one or more schools which share an Executive Headteacher.

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 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
- Identify, monitor and manage risks
- 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 Executive Headteachers/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.

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

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.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters such as policy changes
- Engaging the relevant union officials on a regular basis
- Training staff as Mental Health First Aiders to aid others in all our school
- Providing regular updates to all staff members, via briefings and newsletters
- Providing all staff with discounted membership of Kings Fitness and Leisure to aid and improve physical and mental wellbeing
- Providing a comprehensive package of employee benefits

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust engages with its suppliers and connected business in a positive and caring manner. We ensure adherence to payment of valid and undisputed invoices within 30 days. Where possible the Trust consolidates its purchasing to preferred suppliers to reduce administration and improve efficiencies and economies.

When considering value for money the Accounting Officer has considered Procurement Policy Note (PPN) 02 and 04 and can confirm that throughout Covid-19 that there has been no adverse impact on the Trust achieving value for money.

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

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/period ended 31 August 2020 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 continual review.
- to provide value for money for the funds expended.
- develop greater coherence, clarity and effectiveness in school systems.
- 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.

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

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 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 the following schools in to the Trust:
 - Cheddar First School
 - Draycott and Rodney Stoke CofE First School
 - Fairlands Middle School
 - Shipham CofE First School
- further integrating the 13 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 Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust'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.

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

STRATEGIC REPORT

Senior Personnel Changes

The Trust Board have continued to examine their skills and reviewed the Scheme of Governance, a key document of the trust Board. It was agreed that all Members and Trustees would not be allowed to have dual roles where they were also a Governor in a Trust School. As a consequence of this review, a number of Trustees resigned. The Trust therefore analysed its skill gaps and recruited four new Trustees ensuring a broad range of skills and expertise; these individuals joined the Trust on 31 March 2020.

In anticipation of further growth of the Trust and therefore the need to build capacity, the Trust Board agreed that the dual role of the Chief Executive and Headteacher at Kings of Wessex Academy would be separated from September 2020. Accordingly, Mr D Wiltshire was recruited to take up the role of Headteacher at The Kings of Wessex Academy from 1 September 2020.

The Headteacher of Cheddar First School resigned from their position as at 31 August 2020. Due to Covid-19 complications, it was agreed to delay the recruitment of the Headteacher until September 2020. In the interim, Mrs S Smith, Deputy Headteacher, was appointed as the Acting Headteacher.

The Trust Central Team were bolstered with the appointment of the Trust ICT Manager, and Inclusion Manager. Further changes are planned in the next academic year to add further capacity to the role of the Director of Learning. In addition, the Executive Assistant will work to the Chief Executive to provide administrative support and undertake the role of Clerk to the Trust Board.

Achievements and Performance

Due to Covid-19, public examinations scheduled for summer 2020 were cancelled. In their place, Central Assessed Grades were introduced whereby teachers used existing pupil data including predicted grades, test results and previous progress to make an informed assessment of the most likely result, had the pupil sat the exam. Results were:

Y13 (A Level)	Summer 2020	Summer 2019
Cohort	135	144
Average points per entry	36	33
Average Grade	B-	C+
Average points per pupil	105	93
Average Value added	0.37	-0.22

Y11 (GCSE)	Summer 2020	Summer 2019
Cohort	244	260
English Maths 9-4 pass	78%	76%
English maths 9-5 pass	53%	50%
Attainment 8	5.2	5.3
Progress 8	0.28	0.38

Y6 (SATS)	Summer 2020	Summer 2019
Cohort	330	340
Maths Secure	72%	80%
Reading secure 83%	83%	78%
Writing Secure 77%	77%	80%
Combined Secure 65%	65%	62%

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

Schools Joining the Trust

Fairlands Middle School, Cheddar First School, Draycott and Rodney Stoke CofE First School and Shipham CofE First School joined the Trust on 1 April 2020 and have worked collaboratively with our other schools and Central Team. The timing of their joining during Covid-19 meant that their assimilation in to the Trust was more complicated and protracted. However, by September 2020 the four schools had been embedded within the Trust's procedures.

Nailsea, a 1,000 student secondary school has signed to join the Wessex Learning Trust and positive links between subject leads have already been forged and Nailsea are proving a great new partnership. Nailsea are sharing good ideas which will be beneficial across the Trust. Nailsea School is due to join the Trust on 1 January 2021.

In July 2020 the two schools in the Strawberry Line Federation (Sandford and Winscombe Primary Schools) voted to join the Trust. At short notice the Executive Headteacher of the schools was allowed to leave their position on 31 August 2020. The Schools' Governing Body approach the Trust and requested our assistance with finding an interim Headteacher. The Trust assisted by asking the Headteacher at Axbridge CofE First Academy to be the executive Headteacher across the three schools.

Coronavirus

In accordance with Government guidance, schools in the Trust closed on 20 March 2020. From this date only children of key workers and those children deemed 'vulnerable' were allowed to attend school. In the early weeks of lockdown, the Trust saw small numbers of pupils attending school. Numbers of children attending school slowly increased from approximately 1% of the pupil population to approximately 4% by late May 2020. On 1 June 2020, schools were reopened to Reception, Year 1 and Year 6 children. The Trust took a cautionary approach and phased the return of children back to school over the remaining weeks of the Term. As a Trust of three tier and two tier schools, initial confusion over 'transition' years existed and the Trust were only permitted to allow Year 6 children back to school. However, by mid-June, other transition year groups (Year 4 and Year 8) were permitted to have some limited in-school education. Virtual/online learning was initiated but was not highly successful in the early days of Covid-19. As the schools mastered new techniques and systems so the virtual learning environment grew and pupils began to receive a varied balance of out of schools education.

Covid-19 presented the schools with many challenges. Financially, Trust schools made notable savings on supply budgets but increasingly saw cleaning budgets overspend. The purchase of PPE items, particularly for the re-opening of schools in June 2020, was coordinated by the Trust as was the introduction and validation of risk assessments. The schools continued to meet the requirements to pay their contracts notable for grounds maintenance and catering; payments to catering contractors were adjusted to take into account that variable costs of the contract such as food supplies, were not incurred by the contractor. Overall Covid-19 is not deemed to have caused any school in the Trust to have a worse financial position.

A significant impact of Covid-19 was the cancellation of numerous trips and visits. Many of these events had incurred up-front payments which were recovered either directly through the company, accepted as a pre-payment for the event in the next academic year or via a claim to our insurers. We have seen a significant impact on our school trip insurance costs for 2020-21 with Coronavirus now exempt as the basis of making future claims.

Throughout the Coronavirus pandemic, significant support has been provided to our staff. We initially worked with those individuals deemed 'Critically Vulnerable' to ensure their safety but have supported all staff with additional packages including telephone counsellors, information leaflets and bespoke risk assessments. Overall our staff have been very supportive and gone above and beyond their normal duties to provide a safe environment and to provide education in the classroom or remotely.

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

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

Kings Fitness and Leisure, a wholly own subsidiary of the Trust, has been closed for five months since March 2020 and lost significant income. However, as a non-public organisation, furlough claims have been submitted for all but three staff over the five months. The Trust does hold business continuity insurance and a claim for lost income has been submitted. At this time the insurance company are appealing the High Court decision that Covid-19 is a recognised condition and therefore eligible to be included as a basis of a claim.

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 £304,034 was carried forward representing 2.4% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers in the October Census 2019 were:

	Pupil Capacity	2018-2019		2019-2020	
		Autumn Census	Sixth Form	Autumn Census	Sixth Form
Axbridge CofE First School Academy	179	167		189	
Brent Knoll CofE Primary School	135	130		134	
Cheddar First School	300			250	
Draycott and Rodney Stoke CofE First School	90			68	
East Brent CofE Academy	90	80		82	
Fairlands Middle School	508			478	
Hugh Sexey CofE Middle School	600	590		609	
Lympsham CofE Academy	115	115		105	
Mark First & Pre-school CofE Academy	150	146		145	
The Kings of Wessex Academy	851 / 343 XI Form	785	285	760	303
Shipham CofE First School	83			67	
Weare Academy First School	150	146		130	
Wedmore First School Academy	210	185		176	

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

Over the coming years, pupil numbers will fluctuate across the schools with small increases and decreases. However, due to numerous housing initiatives in the area, we expect pupil numbers will steadily increase from 2022 to the First Schools/Primary School and then cascade on to the Middle/Senior School from 2025.

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 2020 the Trust received £15,859,486 of recurring income from educational and nursery provision (see note 4) and expended £13,600,843 on education and nursery staffing costs (see note 8), which is 86%.

Going Concern

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

FINANCIAL REVIEW

Financial review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The 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 Trust received total income of £18,862,648 (excluding funds received on conversion of £18,278,788, see note 27) against which the Trust incurred total expenditure of £16,786,024 (excluding depreciation of £1,754,193 and LGPS pension valuation movements of £903,000, see note 22). The excess of income over expenditure in the year on this basis was £2,076,624.

At 31 August 2020 the net book value of fixed assets was £50,118,190 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

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, Executive Headteachers, 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.

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

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 2020-21 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.

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 86% 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.

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

- **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 stagnation 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 little if any 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.

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

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the 1 September 2019 to 31 August 2020	
Energy consumption break down (kWh)	
• gas	787,783 kWh
• electricity	769,309 kWh
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	169.37
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	120.78
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	N/A
Total gross emissions in metric tonnes CO2e	290.15
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.844

Notes:

Transport fuel use/emissions have not been included as the amount of business travel is negligible.

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

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

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We educate staff and pupils to be energy aware and will plan to install technology to control our lighting and heating to reduce the time they are on and thus the energy used.

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. Nailsea School has been given permission by the Regional School Commissioner to join the Trust in the spring of 2021 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.

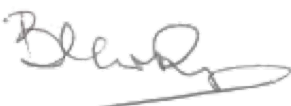
AUDITOR

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees’ report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 14 December 2020 and signed on the board’s behalf by:



Mr B Kirkup
Chair of Trustees

**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 Trustees 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 Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year; 7 times at regular meetings and 1 additional as an Emergency Meetings. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Board Meetings including AGM	Out of a possible	Committee Meetings	Out of possible
Mr G Ball, Chief Executive	8	8	8	8
Mr B Kirkup, Chair of the Board	7	8	5	7
Mr J E G Angle	5	8	2	2
Mrs M Casey (joined 31 Mar 20)	1	3	1	1
Mr J Colquhoun	7	8	8	8
Mrs S Flavin (departed 12 Oct 19)	1	1	1	1
Mrs M Getheridge	6	8	4	7
Mr P Jacobs	3	8	1	2
Mr P Jenkins (joined 31 Mar 20)	3	3	1	1
Mrs M Milsom (joined 31 Mar 20)	1	3	0	0
Mrs S A Moreman (departed 15 Nov 19)	2	2	1	1
Mrs T Parfitt (joined 31 Mar 20)	2	2	1	1
Mr G J Smith	5	8	8	8
Mr K J Walke	6	8	4	8
Mr G D Woodcock	6	8	1	2

All academies within the Trust continue to hold regular Local Governing Body meetings including committee meetings focussing on Finance and Human Resources, Standards and School Improvement. In addition, from January 2020 the Risk Strategy and Audit Committee was formed. These committees support the Trust to identify and manage risk, to ensure financial controls are embedded at 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 review the Trust's governance structure and in particular the Scheme of Governance. The Scheme of Governance was reviewed and in line with guidance from the Regional School Commissioner all dual-hatted positions (those individuals that were Governors and also a Member or Trustee were separated). Accordingly, three new members were appointed and those Trustees who were also a Governor made a choice between remaining on the Trust Board or Local Governing Body. This led to the resignation of Mrs S Moreman. The Members of the Trust are:

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Member	Appointed/Resigned
Mr N Day	Appointed on 1 Oct 19
Mr M Davey	Resigned on 30 Sep 19
Me E Gregory	Appointed on 1 Oct 19
Mr B Kirkup	
Rev R Neill	Resigned on 30 Sep 19
Mr R Oliver	Resigned on 30 Sep 19
Mr J Savage	Appointed on 1 Oct 19

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/Trusts using data provided by the EFSA, the Government and the Trust's accountants.
- Challenging staffing costs in excess 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 Bodies are regularly reviewing and approving appropriate transactions in accordance with the Trust's agreed Finance Policy.

When considering value for money the Accounting Officer has considered Procurement Policy Note (PPN) 02 and 04 and can confirm that throughout Covid-19 that there has been no adverse impact on the Trust achieving value for money.

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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that have been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is 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 financial reports which are reviewed and agreed by Local Governing Bodies and overseen by the Board of Trustees;
- regular reviews of the financial position of the Trust and schools within the trust by the Trust Board's Finance and Human Resource Committee;
- regular reviews by Local Governing Bodies of finance 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 established the Risk Strategy and Audit Committee in January 2020. The Audit Committee consider broad, strategic risks to the Trust as well as oversee financial and non-financial audits. The Finance and Human resource Committee undertake a programme of internal checks. In addition additional checks are undertaken by Bishop Fleming LLP. The last internal audit of the Trust was undertaken in July 2020.

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.

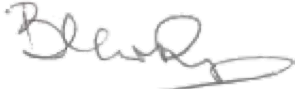
**WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on
their behalf by:

14 December 2020

and signed on



.....
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.

A handwritten signature in black ink that reads "Gavin Ball". The signature is written in a cursive style and is positioned to the right of a large, hand-drawn circular scribble.

Mr G Ball
Accounting Officer
Date: 14 December 2020

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

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

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

Company law requires the Trustees to prepare financial statements for each financial . 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:

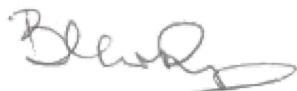
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the 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
14 December 2020 and signed on its behalf by:



.....
Mr B Kirkup
Chair of Trustees

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy's affairs as at 31 August 2020 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 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

17/12/2020

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

This report is made solely to Wessex Learning Trust and 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 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy'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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morrison FCA
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date:



WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants:	3					
Transfer from LA on conversion		705,837	(405,000)	17,977,951	18,278,788	1,174,487
Other donations and capital grants		-	205,258	1,623,486	1,828,744	897,164
Charitable activities	4	1,157,329	14,702,157	-	15,859,486	12,408,705
Other trading activities	6	1,172,428	-	-	1,172,428	1,409,130
Investments	7	1,990	-	-	1,990	2,225
TOTAL INCOME		3,037,584	14,502,415	19,601,437	37,141,436	15,891,711
EXPENDITURE ON:						
Raising funds	8	1,116,459	-	-	1,116,459	1,114,283
Charitable activities	8,9	1,381,104	15,254,958	1,690,696	18,326,758	14,996,466
TOTAL EXPENDITURE	8	2,497,563	15,254,958	1,690,696	19,443,217	16,110,749
NET (EXPENDITURE)/ INCOME		540,021	(752,543)	17,910,741	17,698,219	(219,038)
Transfers between funds	20	(76,650)	(769,656)	846,306	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		463,371	(1,522,199)	18,757,047	17,698,219	(219,038)
Actuarial losses on defined benefit pension schemes	28	-	(2,212,000)	-	(2,212,000)	(1,655,000)
NET MOVEMENT IN FUNDS		463,371	(3,734,199)	18,757,047	15,486,219	(1,874,038)
RECONCILIATION OF FUNDS:						
Total funds brought forward		2,238,958	(7,462,771)	32,298,744	27,074,931	28,948,969
Net movement in funds		463,371	(3,734,199)	18,757,047	15,486,219	(1,874,038)
TOTAL FUNDS CARRIED FORWARD		2,702,329	(11,196,970)	51,055,791	42,561,150	27,074,931

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

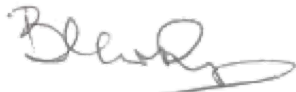
**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible Fixed Assets	15	50,118,190	32,473,717
CURRENT ASSETS			
Stocks		2,307	2,307
Debtors	17	2,565,989	309,378
Investments	18	-	106,504
Cash at bank and in hand		2,934,837	3,226,890
		5,503,133	3,645,079
Creditors: amounts falling due within one year	19	(1,503,173)	(1,006,865)
NET CURRENT ASSETS		3,999,960	2,638,214
TOTAL ASSETS LESS CURRENT LIABILITIES		54,118,150	35,111,931
Defined benefit pension scheme liability	28	(11,557,000)	(8,037,000)
TOTAL NET ASSETS		42,561,150	27,074,931
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	20	51,055,791	32,298,744
Restricted income funds	20	360,030	574,229
Pension reserve	20	(11,557,000)	(8,037,000)
Total restricted funds	20	39,858,821	24,835,973
Unrestricted income funds			
General funds	20	2,109,761	2,063,985
Unrestricted fixed assets	20	592,568	174,973
Total unrestricted income funds	20	2,702,329	2,238,958
TOTAL FUNDS		42,561,150	27,074,931

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

**CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020**

The financial statements on pages 27 to 72 were approved by the Trustees, and authorised for issue on
14 December 2020 and are signed on their behalf, by:



Mr B Kirkup
Chair of Trustees



Mr G M Ball
Accounting Officer

The notes on pages 33 to 72 form part of these financial statements.

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

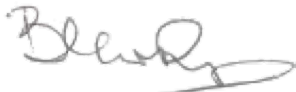
ACADEMY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	49,937,357	32,375,394
Investments	16	1	1
		49,937,358	32,375,395
CURRENT ASSETS			
Stocks		2,307	2,307
Debtors	17	2,486,022	589,049
Cash at bank and in hand		2,751,664	2,639,986
		5,239,993	3,231,342
Creditors: amounts falling due within one year	19	(1,434,180)	(877,493)
NET CURRENT ASSETS		3,805,813	2,353,849
TOTAL ASSETS LESS CURRENT LIABILITIES		53,743,171	34,729,244
Defined benefit pension scheme liability	28	(11,016,000)	(7,569,000)
TOTAL NET ASSETS		42,727,171	27,160,244
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	20	51,055,791	32,375,394
Restricted income funds	20	360,030	565,481
Restricted funds excluding pension liability	20	51,415,821	32,940,875
Pension reserve	20	(11,016,000)	(7,569,000)
Total restricted funds	20	40,399,821	25,371,875
Unrestricted income funds			
General funds	20	1,915,615	1,711,719
Unrestricted fixed assets	20	411,735	76,650
Total unrestricted income funds	20	2,327,350	1,788,369
TOTAL FUNDS		42,727,171	27,160,244

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

**ACADEMY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2020**

The financial statements on pages 27 to 72 were approved by the Trustees, and authorised for issue on
14 December 2020 and are signed on their behalf, by:



Mr B Kirkup
Chair of Trustees



Mr G M Ball
Accounting Officer

The notes on pages 33 to 72 form part of these financial statements.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	22	(1,309,155)	(328,920)
CASH FLOWS FROM INVESTING ACTIVITIES	24	204,761	215,503
CASH FLOWS FROM FINANCING ACTIVITIES	23	705,837	134,837
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(398,557)	21,420
Cash and cash equivalents at the beginning of the year		3,333,394	3,311,974
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25, 26	<u>2,934,837</u>	<u>3,333,394</u>

The notes on pages 33 to 72 form part of these financial statements

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated 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.

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

All incoming resources are recognised when the Group 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 Group has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the Group 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 Group. 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 2020

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 2020**

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 Group 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 17. 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.

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 19. 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.

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 Cheddar First School, Shipham Church of England First School, Draycott & Rodney Stoke Church of England First School, and Fairlands Middle 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 27.

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 32.

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.

1.18 COMPARATIVE INFORMATION

Where necessary, comparative information has been restated to accord with changes in presentations made in the current year. There has been no impact on the surplus or net assets of the Trust as a result.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Academy trust 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 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy 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 2020

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Transfer from Local Authority on conversion	705,837	(405,000)	17,977,951	18,278,788	1,174,487
Trips and other donations	-	205,258	-	205,258	134,852
Capital Grants	-	-	1,623,486	1,623,486	762,312
SUBTOTAL	-	205,258	1,623,486	1,828,744	897,164
TOTAL 2020	705,837	(199,742)	19,601,437	20,107,532	2,071,651
TOTAL 2019	134,487	552,164	1,385,000	2,071,651	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Education	400,449	14,702,157	15,102,606	11,897,884
Nursery	756,880	-	756,880	510,821
TOTAL 2020	1,157,329	14,702,157	15,859,486	12,408,705
TOTAL 2019	1,081,714	11,326,991	12,408,705	

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

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

5. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA Grants				
General Annual Grant	-	12,637,996	12,637,996	10,256,982
Start up Grants	-	100,000	100,000	25,000
Pupil Premium	-	1,096,051	1,096,051	439,236
Other DfE/ESFA grants	-	661,503	661,503	391,314
	-	14,495,550	14,495,550	11,112,532
Other Government Grants				
High Needs Income	-	89,562	89,562	105,436
Other Local Authority Grants	-	84,180	84,180	109,023
Exceptional Government Funding	-	5,902	5,902	-
	-	179,644	179,644	214,459
Other Funding				
Internal catering income	213,839	-	213,839	296,879
Sales to students	49,015	-	49,015	85,727
Other Income	48,933	-	48,933	30,065
Trip Income	88,662	-	88,662	158,222
Insurance Claims	-	26,963	26,963	-
	400,449	26,963	427,412	570,893
	400,449	14,702,157	15,102,606	11,897,884
TOTAL 2019	570,893	11,326,991	11,897,884	

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

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

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

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	12,886	12,886	18,598
Copy Shop	864	864	1,163
Consultancy	32,251	32,251	8,418
Fees Received	66,311	66,311	90,884
Income from trading subsidiary	1,060,116	1,060,116	1,290,067
	<u>1,172,428</u>	<u>1,172,428</u>	<u>1,409,130</u>
TOTAL 2019	<u>1,409,130</u>	<u>1,409,130</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	1,990	1,990	2,225
TOTAL 2019	<u>2,225</u>	<u>2,225</u>	

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

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

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:					
Direct costs	531,007	208,838	376,614	1,116,459	1,114,283
EDUCATION:					
Direct costs	10,460,081	1,411,146	655,668	12,526,895	9,914,110
Allocated support costs	2,493,964	1,063,941	1,538,270	5,096,175	4,546,547
NURSERY:					
Direct costs	634,159	-	7,239	641,398	483,633
Allocated support costs	12,639	27,201	22,450	62,290	52,176
	<u>14,131,850</u>	<u>2,711,126</u>	<u>2,600,241</u>	<u>19,443,217</u>	<u>16,110,749</u>
TOTAL 2019	<u>11,545,473</u>	<u>1,715,622</u>	<u>2,849,654</u>	<u>16,110,749</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	12,526,895	5,096,175	17,623,070	14,460,657
Nursery	641,398	62,290	703,688	535,809
	<u>13,168,293</u>	<u>5,158,465</u>	<u>18,326,758</u>	<u>14,996,466</u>
TOTAL 2019	<u>10,397,743</u>	<u>4,598,723</u>	<u>14,996,466</u>	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Education 2020 £	Nursery 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	89,000	-	89,000	70,000
Staff costs	10,460,081	634,159	11,094,240	8,805,860
Depreciation	1,411,446	-	1,411,446	879,178
Educational supplies	214,183	4,825	219,008	264,060
Examination fees	143,724	-	143,724	167,621
Staff development	42,429	1,549	43,978	54,548
Other costs	104,992	259	105,251	95,985
Supply teachers	61,040	606	61,646	60,491
	<u>12,526,895</u>	<u>641,398</u>	<u>13,168,293</u>	<u>10,397,743</u>
TOTAL 2019	<u><u>9,914,110</u></u>	<u><u>483,633</u></u>	<u><u>10,397,743</u></u>	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education 2020 £	Nursery 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	92,000	-	92,000	84,000
Staff costs	2,493,964	12,639	2,506,603	2,179,775
Depreciation	287,653	-	287,653	186,782
Staff development	333	-	333	375
Other costs	159,654	3,124	162,778	360,615
Recruitment and support	25,056	201	25,257	17,075
Maintenance of premises and equipment	360,938	9,951	370,889	262,689
Cleaning	126,785	8,724	135,509	89,214
Rent and rates	121,367	2,361	123,728	107,566
Energy costs	167,198	6,165	173,363	153,619
Insurance	108,958	1,120	110,078	67,993
Security and transport	74,023	-	74,023	95,083
Catering	262,944	5,276	268,220	346,813
Technology costs	273,566	1,078	274,644	208,001
Office overheads	197,821	2,355	200,176	180,890
Legal and professional	336,826	9,288	346,114	249,530
Bank interest and charges	7,089	8	7,097	8,703
	<u>5,096,175</u>	<u>62,290</u>	<u>5,158,465</u>	<u>4,598,723</u>
TOTAL 2019	<u>4,546,547</u>	<u>52,176</u>	<u>4,598,723</u>	

WESSEX LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2020	2019
	£	£
Operating lease rentals	105,695	61,586
Depreciation of tangible fixed assets	1,754,193	1,101,457
Fees paid to auditors for:		
- audit	18,450	14,500
- other services	4,950	8,200
	=====	=====

Included within Auditors' remuneration is £16,500 (2019: £13,500) relating to the Academy and £1,950 (2019: £1,500) relating to the trading subsidiary.

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	Group	Group	Academy	Academy
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	10,288,746	8,692,311	9,827,560	8,258,753
Social security costs	873,100	741,809	850,425	720,785
Pension costs	2,970,004	2,103,475	2,922,858	2,006,097
	=====	=====	=====	=====
	14,131,850	11,537,595	13,600,843	10,985,635
Staff restructuring costs	-	7,878	-	-
	=====	=====	=====	=====
	14,131,850	11,545,473	13,600,843	10,985,635

Staff restructuring costs comprise:

	Group	Group
	2020	2019
	£	£
Severance payments	-	7,878
	=====	=====
	-	7,878

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

11. STAFF (CONTINUED)

b. STAFF NUMBERS

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

	Group 2020 No.	Group 2019 No.
Teachers	205	148
Teaching support staff	262	222
Administrative & technical	78	58
Leisure Centre	68	20
Management	19	14
	<hr/> 632 <hr/>	<hr/> 462 <hr/>

The average headcount expressed as full-time equivalents was:

	Group 2020 No.	Group 2019 No.
Teachers	162	123
Teaching support staff	140	106
Administrative & technical	54	38
Leisure Centre	18	20
Management	18	13
	<hr/> 392 <hr/>	<hr/> 300 <hr/>

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

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	5	3
In the band £70,001 - £80,000	2	2
In the band £100,001 - £110,000	1	1
	=====	=====

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 the Academy Leadership Group as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by 9 (2019: 7) employees considered to be key management personnel for their services to the Academy Trust was £580,983 (2019: £518,178).

As staff 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 13 has not been included in the total benefits received by key management personnel above.

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

12. CENTRAL SERVICES

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

- Administrative staff salaries
- Audit fees
- Legal fees
- Internal assurance fees
- Payroll fees

The Group charges for these services on the following basis:

5% of GAG funding received in year

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Axbridge Church of England First School Academy	25,861	24,764
Brent Knoll Primary	20,902	-
Cheddar First School	15,719	-
Draycott & Rodney Stoke Church of England First School	5,509	-
East Brent Church of England First School	14,814	18,324
Fairlands Middle School	34,240	-
Hugh Sexey Middle School	95,256	94,981
Kings of Wessex Academy	198,721	180,368
Lympsham Free School	18,682	18,237
Mark First School	22,414	21,108
Shipham Church of England First School	5,438	-
Weare Academy	21,499	22,500
Wedmore First School Academy	26,465	36,236
TOTAL	505,520	416,518

13. 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 £105,000 - £110,000 (2019: £100,000 - £105,000), Employer's pension contributions £25,000 - £30,000 (2019: £15,000 - £20,000).

During the year ended 31 August 2020, expenses totalling £997 were reimbursed to 3 Trustees (2019: £301 to 1 Trustee).

**WESSEX LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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14. 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.

15. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2019	35,634,456	1,257,292	613,871	34,549	37,540,168
Additions	1,131,075	148,771	115,805	25,064	1,420,715
Transfers intra group	15,633,000	2,344,951	-	-	17,977,951
At 31 August 2020	<u>52,398,531</u>	<u>3,751,014</u>	<u>729,676</u>	<u>59,613</u>	<u>56,938,834</u>
DEPRECIATION					
At 1 September 2019	3,559,951	929,617	546,000	30,883	5,066,451
Charge for the year	1,009,695	646,265	92,037	6,196	1,754,193
At 31 August 2020	<u>4,569,646</u>	<u>1,575,882</u>	<u>638,037</u>	<u>37,079</u>	<u>6,820,644</u>
NET BOOK VALUE					
At 31 August 2020	<u><u>47,828,885</u></u>	<u><u>2,175,132</u></u>	<u><u>91,639</u></u>	<u><u>22,534</u></u>	<u><u>50,118,190</u></u>
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>

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
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15. TANGIBLE FIXED ASSETS (CONTINUED)

ACADEMY

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2019	35,634,456	1,079,807	613,871	34,549	37,362,683
Additions	1,131,075	30,661	115,805	5,570	1,283,111
Transfers intra group	15,633,000	2,344,951	-	-	17,977,951
At 31 August 2020	<u>52,398,531</u>	<u>3,455,419</u>	<u>729,676</u>	<u>40,119</u>	<u>56,623,745</u>
DEPRECIATION					
At 1 September 2019	3,559,951	850,455	546,000	30,883	4,987,289
Charge for the year	1,009,695	595,070	92,037	2,297	1,699,099
At 31 August 2020	<u>4,569,646</u>	<u>1,445,525</u>	<u>638,037</u>	<u>33,180</u>	<u>6,686,388</u>
NET BOOK VALUE					
At 31 August 2020	<u>47,828,885</u>	<u>2,009,894</u>	<u>91,639</u>	<u>6,939</u>	<u>49,937,357</u>
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>

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

16. FIXED ASSET INVESTMENTS

Academy	Investments in subsidiary companies £
COST OR VALUATION	
At 1 September 2019	1
AT 31 AUGUST 2020	<u>1</u>
NET BOOK VALUE	
AT 31 AUGUST 2020	<u>1</u>
<i>AT 31 AUGUST 2019</i>	<u>1</u>

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 £	Loss for the year £	Net liabilities £
Kings of Wessex Fitness and Leisure Limited	1,060,116	(1,162,590)	(102,474)	(166,020)

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17. DEBTORS

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
DUE WITHIN ONE YEAR				
Trade debtors	212	6,516	212	6,516
Amounts owed by group undertakings	-	-	27,592	300,000
Other debtors	165,506	44,757	65,936	33,511
Prepayments and accrued income	2,400,271	258,105	2,392,282	249,022
	2,565,989	309,378	2,486,022	589,049

18. CURRENT ASSET INVESTMENTS

	Group 2020 £	Group 2019 £
Fixed term deposits	-	106,504

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

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19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade creditors	253,286	197,735	241,437	172,643
Other taxation and social security	246,744	185,932	241,992	179,763
Other creditors	370,946	247,317	352,938	231,040
Accruals and deferred income	632,197	375,881	597,813	294,047
	1,503,173	1,006,865	1,434,180	877,493
	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Deferred income at 1 September 2019	255,244	221,298	173,610	165,139
Resources deferred during the year	242,672	255,244	208,288	173,610
Amounts released from previous periods	(255,244)	(221,298)	(173,610)	(165,139)
	242,672	255,244	208,288	173,610

£34,384 of deferred income (2019: £81,634) 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, Rates Relief and from parents for educational visits in the 2020/21 academic year.

WESSEX LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	1,272,410	1,977,468	(1,334,264)	-	-	1,915,614
Leisure centre	791,575	1,060,116	(1,099,802)	(557,742)	-	194,147
Fixed Assets	174,973	-	(63,497)	481,092	-	592,568
	<u>2,238,958</u>	<u>3,037,584</u>	<u>(2,497,563)</u>	<u>(76,650)</u>	<u>-</u>	<u>2,702,329</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	12,637,996	(12,039,829)	(294,133)	-	304,034
Other DfE/ESFA Income	17,747	1,434,111	(1,397,169)	-	-	54,689
Pupil Premium	-	423,443	(422,136)	-	-	1,307
Condition Improvement Fund Income	497,662	-	-	(497,662)	-	-
Devolved formula capital	58,820	-	-	(58,820)	-	-
High needs income	-	89,562	(89,562)	-	-	-
Other local authority income	-	36,874	(36,874)	-	-	-
Trips income	-	72,768	(72,768)	-	-	-
Donations and other income	-	212,661	(212,661)	-	-	-
Capital grants - revenue expenditure	-	-	(80,959)	80,959	-	-
Pension reserve	(8,037,000)	(405,000)	(903,000)	-	(2,212,000)	(11,557,000)
	<u>(7,462,771)</u>	<u>14,502,415</u>	<u>(15,254,958)</u>	<u>(769,656)</u>	<u>(2,212,000)</u>	<u>(11,196,970)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred into the Trust	27,380,330	17,977,951	(1,690,696)	-	-	43,667,585

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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Fixed assets purchased from grant funding	4,918,414	-	-	939,623	-	5,858,037
CIF	-	1,521,413	-	(21,602)	-	1,499,811
Devolved formula capital	-	102,073	-	(71,715)	-	30,358
	<u>32,298,744</u>	<u>19,601,437</u>	<u>(1,690,696)</u>	<u>846,306</u>	<u>-</u>	<u>51,055,791</u>
TOTAL RESTRICTED FUNDS	<u>24,835,973</u>	<u>34,103,852</u>	<u>(16,945,654)</u>	<u>76,650</u>	<u>(2,212,000)</u>	<u>39,858,821</u>
TOTAL FUNDS	<u>27,074,931</u>	<u>37,141,436</u>	<u>(19,443,217)</u>	<u>-</u>	<u>(2,212,000)</u>	<u>42,561,150</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 £294,133 (2019: £145,224) 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 a school converting to academy status and joining the Multi-Academy Trust.

Other DfE/ESFA Income - This represents funding received from the ESFA for the contribution to the Academy Trust's cost of business rates.

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

20. STATEMENT OF FUNDS (CONTINUED)

deficit balance is £11,557,000.

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

Condition Improvement Fund and Devolved Formula Capital - These funds are received for direct expenditure on fixed asset projects including repairs and maintenance of existing infrastructure. The fixed asset fund balance at the year end represents unspent grant amounts for projects to be completed in the following year. Amounts spent from the fund are transferred to fixed assets funded by grant funding or capital grants - revenue expenditure as appropriate each year.

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 2020.

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

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Axbridge Church of England First School Academy	62,442	63,562
Brent Knoll Primary School	151,706	141,404
East Brent Church of England First School	121,616	95,261
Hugh Sexey Church of England Middle School	252,095	292,848
The Kings of Wessex Academy	537,595	546,785
Lympsham Church of England Academy	101,329	146,774
Mark First and Pre-School CE Academy	124,614	214,602
Weare Academy First School	30,934	48,709
Wedmore First School Academy	49,475	105,067
Cheddar First School	360,344	-
Draycott & Rodney Stoke Church of England First School	118,160	-
Shipham Church of England First School	60,767	-
Fairlands Middle School	242,046	-
Central services	62,521	(229,534)
Leisure centre (trading subsidiary)	194,147	715,074
Fixed assets - unrestricted	592,568	174,973
Capital funds	-	497,662
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,062,359	2,813,187
Restricted fixed asset fund	51,055,791	32,298,744
Pension reserve	(11,557,000)	(8,037,000)
	<hr/>	<hr/>
TOTAL	42,561,150	27,074,931
	<hr/> <hr/>	<hr/> <hr/>

DFC of £58,820 (shown within individual school balances) and CIF grant income of £497,662 (shown separately) included in academy funds at 31 August 2019 above were transferred to the restricted fixed asset fund at 31 August 2020.

Leisure centre funds represent the cumulative surpluses generated by the trading subsidiary. During the year 31 August 2020 a portion of these funds were used for the construction of an extension to the Leisure Centre premises. This is included in Fixed assets - unrestricted balance which represents the net book value of fixed assets purchased from unrestricted funds.

**WESSEX LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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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 2020 £	Total 2019 £
Axbridge Church of England First School Academy	385,271	355,088	11,285	144,659	896,303	884,747
Brent Knoll Church of England School	338,897	170,637	8,284	106,517	624,335	280,930
East Brent Church of England First School	205,440	166,552	9,275	115,350	496,617	440,622
Hugh Sexey Church of England Middle School	1,622,413	672,578	40,220	496,257	2,831,468	2,780,693
The Kings of Wessex Academy	3,360,026	1,134,526	71,657	1,041,605	5,607,814	5,566,534
Lympsham Church of England Academy	279,384	262,655	13,189	136,364	691,592	705,785
Mark First and Pre-School CE Academy	347,538	295,131	12,563	171,065	826,297	768,219
Weare Academy First School	302,347	331,433	11,807	127,918	773,505	786,157
Wedmore First School Academy	406,236	421,595	12,110	146,207	986,148	953,280
Cheddar First School	252,590	196,338	10,341	73,703	532,972	-
Draycott & Rodney Stoke Church of England First School	93,655	51,613	3,890	53,270	202,428	-

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

20. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Shipham Church of England First School	76,358	55,202	5,192	57,591	194,343	-
Fairlands Middle School	644,996	201,273	4,568	146,199	997,036	-
Central services	101,310	45,582	-	-	146,892	99,863
Leisure centre (trading subsidiary)	-	531,007	-	447,267	978,274	1,085,786
	<u>8,416,461</u>	<u>4,891,210</u>	<u>214,381</u>	<u>3,263,972</u>	<u>16,786,024</u>	<u>14,352,616</u>

WESSEX LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
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 Condition Improvement Fund Income	-	340,926	(340,926)	-	-	-
Devolved formula capital	277,158	550,744	-	(330,240)	-	497,662
High needs income	25,330	204,815	-	(171,325)	-	58,820
Other local authority income	-	105,436	(105,436)	-	-	-
Trips income	-	64,592	(64,592)	-	-	-
Donations and other income	-	137,940	(137,940)	-	-	-
Pension reserve	-	38,572	(38,572)	-	-	-
	(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>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred into the Trust	26,925,672	1,385,000	(930,342)	-	-	27,380,330

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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Fixed assets purchased from grant funding	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><u>28,948,969</u></u>	<u><u>15,891,711</u></u>	<u><u>(16,110,749)</u></u>	<u><u>-</u></u>	<u><u>(1,655,000)</u></u>	<u><u>27,074,931</u></u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	592,568	-	49,525,622	50,118,190
Current assets	2,178,754	1,794,210	1,530,169	5,503,133
Creditors due within one year	(68,993)	(1,434,180)	-	(1,503,173)
Provisions for liabilities and charges	-	(11,557,000)	-	(11,557,000)
TOTAL	<u><u>2,702,329</u></u>	<u><u>(11,196,970)</u></u>	<u><u>51,055,791</u></u>	<u><u>42,561,150</u></u>

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21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	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	2,238,958	(7,462,771)	32,298,744	27,074,931

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	17,698,219	(219,038)
ADJUSTMENTS FOR:		
Depreciation	1,754,193	1,101,457
Capital grants from DfE and other capital income	(1,623,486)	(897,164)
Interest receivable	(1,990)	(2,225)
Defined benefit pension scheme obligation inherited	405,000	345,000
Defined benefit pension scheme cost less contributions payable	722,000	349,000
Defined benefit pension scheme finance cost	181,000	154,000
(Increase)/decrease in debtors	(2,256,611)	35,520
Increase in creditors	496,308	189,530
Assets and liabilities on conversion	(18,683,788)	(1,385,000)
NET CASH USED IN OPERATING ACTIVITIES	(1,309,155)	(328,920)

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23. CASH FLOWS FROM FINANCING ACTIVITIES

	Group 2020 £	Group 2019 £
Cash on conversion to academy	705,837	134,837
NET CASH PROVIDED BY FINANCING ACTIVITIES	705,837	134,837

24. CASH FLOWS FROM INVESTING ACTIVITIES

	Group 2020 £	Group 2019 £
Interest receivable	1,990	2,225
Purchase of tangible fixed assets	(1,420,715)	(683,886)
Capital grants from DfE Group	1,623,486	897,164
NET CASH PROVIDED BY INVESTING ACTIVITIES	204,761	215,503

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2020 £	Group 2019 £
Cash in hand	2,934,837	3,226,890
Current asset investments	-	106,504
TOTAL CASH AND CASH EQUIVALENTS	2,934,837	3,333,394

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	3,226,890	(292,053)	2,934,837
Liquid investments	106,504	(106,504)	-
	3,333,394	(398,557)	2,934,837

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**NOTES TO THE FINANCIAL STATEMENTS
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27. CONVERSION TO AN ACADEMY TRUST

On 1 April 2020 Cheddar First 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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold land and buildings	-	-	4,771,271	4,771,271
Other tangible fixed assets	-	-	715,691	715,691
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	326,818	-	-	326,818
NON-CURRENT LIABILITIES				
Defined benefit pension scheme liability	-	(130,000)	-	(130,000)
NET ASSETS/(LIABILITIES)	<u>326,818</u>	<u>(130,000)</u>	<u>5,486,962</u>	<u>5,683,780</u>

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27. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1 April 2020 Shipham Church of England First 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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold land and buildings	-	-	1,182,071	1,182,071
Other tangible fixed assets	-	-	177,311	177,311
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	45,564	-	-	45,564
NON-CURRENT LIABILITIES				
Defined benefit pension scheme liability	-	(51,000)	-	(51,000)
NET ASSETS/(LIABILITIES)	<u>45,564</u>	<u>(51,000)</u>	<u>1,359,382</u>	<u>1,353,946</u>

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27. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1 April 2020 Draycott & Rodney Stoke Church of England First 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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold land and buildings	-	-	1,432,211	1,432,211
Other tangible fixed assets	-	-	214,832	214,832
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	116,110	-	-	116,110
NON-CURRENT LIABILITIES				
Defined benefit pension scheme liability	-	(37,000)	-	(37,000)
NET ASSETS/(LIABILITIES)	116,110	(37,000)	1,647,043	1,726,153

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27. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1 April 2020 Fairlands Middle 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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold land and buildings	-	-	8,247,447	8,247,447
Other tangible fixed assets	-	-	1,237,117	1,237,117
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	217,345	-	-	217,345
NON-CURRENT LIABILITIES				
Defined benefit pension scheme liability	-	(187,000)	-	(187,000)
NET ASSETS/(LIABILITIES)	217,345	(187,000)	9,484,564	9,514,909

28. PENSION COMMITMENTS

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

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

Contributions amounting to £305,665 were payable to the schemes at 31 August 2020 (2019: £185,732) and are included within creditors.

28. PENSION COMMITMENTS (CONTINUED)

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,505,040 (2019: £855,041).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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.

**NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £934,000 (2019: £725,000), of which employer's contributions totalled £738,000 (2019: £560,000) and employees' contributions totalled £196,000 (2019: £165,000). The agreed contribution rates for future years are 23.7 per cent for employers and 5.5% - 12.5% per cent for employees.

As described in note 1.14 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.15	3.65
Rate of increase for pensions in payment / inflation	2.15	2.15
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	2.15	2.15

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	23.3	22.7
Females	24.7	23.8
<i>Retiring in 20 years</i>		
Males	24.7	24.0
Females	26.2	25.3

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28. PENSION COMMITMENTS (CONTINUED)

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

	2020	2019
	£	£
Equities	6,576,000	4,593,000
Corporate Bonds	1,545,000	971,000
Property	761,000	538,000
Cash	496,000	395,000
TOTAL MARKET VALUE OF ASSETS	9,378,000	6,497,000

The actual return on scheme assets was £1,025,000 (2019: £323,000).

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

	2020	2019
	£	£
Current service cost	(1,387,000)	(951,000)
Interest income	113,000	152,000
Interest cost	(294,000)	(306,000)
Total	(1,568,000)	(1,105,000)

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

	2020	2019
	£	£
Opening defined benefit obligation	14,507,000	10,714,000
Liability transferred on conversion	1,578,000	543,000
Current service cost	1,387,000	951,000
Interest cost	294,000	306,000
Employee contributions	216,000	181,000
Actuarial losses/(gains)	3,105,000	1,829,000
Benefits paid	(263,000)	(228,000)
Past service cost	111,000	211,000
Closing defined benefit obligation	20,935,000	14,507,000

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

28. PENSION COMMITMENTS (CONTINUED)

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

	2020	2019
	£	£
Opening fair value of scheme assets	6,469,000	5,390,000
Asset transferred on conversion	1,173,000	198,000
Interest income	139,000	161,000
Actuarial gains/(losses)	893,000	174,000
Employer contributions	776,000	602,000
Employee contributions	216,000	181,000
Benefits paid	(263,000)	(228,000)
Administrative expenses	(25,000)	(9,000)
Closing fair value of scheme assets	9,378,000	6,469,000

29. OPERATING LEASE COMMITMENTS

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

	Group	Group	Academy	Academy
	2020	2019	2020	2019
	£	£	£	£
Not later than 1 year	119,934	105,695	58,475	44,236
Later than 1 year and not later than 5 years	122,522	193,726	35,578	45,323
	242,456	299,421	94,053	89,559

30. 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.

31. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No transactions took place in the year.

32. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2020 the Trust received £13,651 and disbursed £13,651 from the fund. An amount of £36,553 included in other creditors relating to undistributed funds that is repayable to the ESFA.

33. CONTROLLING PARTY

The Trust is jointly controlled by the members, there is no controlling party.