

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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WINDHILL ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Ms Naomi Holloway Mrs Katherine Byrne Mr John Darker Mr Sam Mountford Mr David Harvey Mr Nigel Fletcher Mrs Abby Westell
Trustees	Ms Naomi Holloway, Chair Mrs Katherine Byrne Mr John Darker (resigned 31 August 2019) Mrs Philippa Moore, Headteacher Mr Sam Mountford (term of office ended 8 October 2019) Mrs Abby Westell Mr David Harvey Mr Nigel Fletcher Mrs Emily Hodges Mrs Katie Lewis Mrs Debra Price (resigned 31 August 2019) Mrs Karen Poole (appointed 21 November 2018) Mr Sotirios Adamopoulos (appointed 15 November 2019)
Company registered number	09433068
Company name	Windhill Academy Trust
Registered and principal office	Windhill School Windhill Bishop's Stortford Hertfordshire CM23 2NE
Chief Executive Officer	Mrs Philippa Moore
Senior Leadership Team	Philippa Moore, Headteacher Craig Wood, Deputy Headteacher (resigned 22 April 2019) Debra Price, Assistant Headteacher Sarah Wood, Assistant Headteacher Chloe Myers, Coaching and Mentoring Leader Deborah Mills, Business Manager Hellie Mann, Hellie Mann Joanna Vickery, Booster and PPA Cover

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
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WINDHILL ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Windhill Academy Trust (the Academy, the Trust or the Charitable Company) for the year ended 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an academy school for pupils aged 4 - 11 serving a catchment area of Bishop's Stortford. It has a pupil capacity of 450 for Reception to Year 6 and had a roll of 456 in the autumn 2018 school census. (This included the pupils in the 'bulge' class who were admitted from September 2014 and who will remain on roll throughout their primary education). In addition, we have a nursery with a pupil capacity of 52 and had a roll of 31 in the autumn 2018 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Windhill21 and included the Stort Valley and Villages Children's Centre Group. The agreement to provide lead agency services for the Stort Valley and Villages Children's Centre Group ceased on 30th September 2018.

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

Members' Liability

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

Trustees and Officers' Indemnities

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

Method of Recruitment and Appointment or Election of Trustees

Members of the Trust are responsible for appointing Trustees. All prospective Trustees are expected to demonstrate a commitment to the governance and continuing improvement of the Trust.

Trustees are appointed in accordance with the Trust's Articles of Association (sections 50 to 59) and the Funding Agreement.

Trustees are appointed for a fixed term of four years. The Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 13 Trustees:

- 2 Parent Trustees
- 2 Staff Trustees (Headteacher plus a member of the teaching staff)
- 9 co-opted Trustees

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FOR THE YEAR ENDED 31 AUGUST 2019

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme continued professional development led by School staff and links with a number of local training providers.

All new Trustees will receive an induction to the role, according to their need, which may include introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and the Headteacher.

All Trustees are provided with the following:

- Governor Handbook.
- Policies and procedure documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.
- Welcome email from Chair of Trustees.
- Opportunities for relevant training, depending on experience. Our training providers are Herts for Learning and Balance Education. In addition, Trustees have access to online training courses.

All Trustees are offered training and development opportunities to ensure that their knowledge and skills are kept up to date and in line with current regulations and legislation. In addition, Trustees with specific responsibilities (e.g. safeguarding, SEND and health and safety) are provided with appropriate training to enable them to fulfil their duties. The Board of Trustees is a member of the National Governors' Association.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education. The Board of Trustees, which meets on at least five occasions per year and each individual committee at least three times per year, is responsible for the strategic direction of the Trust. The Board of Trustees reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with an external adviser, and reviews them regularly.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Trust on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets weekly to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Trust.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust. The pay and remuneration of key management personnel is decided by a variety of contributory factors such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies. All amendments to the pay and remuneration of key management personnel are approved by the appropriate sub-committee and ratified by the Board of Trustees.

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

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- East and North Hertfordshire NHS
- East Hertfordshire District Council
- Hertfordshire County Council
- Hertfordshire County Council – Local Government Pension Scheme.
- Hertfordshire and Essex High School
- Rivers Multi Academy Trust

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 4 and 11.

Objectives, Strategies and Activities

During the year the Trustees have worked towards these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, teaching and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory, curriculum and child care requirements;
- conducting the Academy's business in accordance with the highest standards of integrity; and
- looking at the skill set within the current Board of Trustees and actively recruiting new Trustees who complement the existing skill base.

Our success in fulfilling our aims can be measured by:

- School self-evaluation form
- School improvement plan review
- Governing Board and Committee minutes
- Trustee monitoring visits
- OFSTED Inspection Report – October 2018
- Financial monitoring reports
- Staff and parent questionnaires
- Pupil voice (via pupil forum meetings)
- Feedback from visitors

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TRUSTEES' REPORT (CONTINUED)
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Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Trade Union Facility Time

The Trust had no employees who acted as union officials during the year.

STRATEGIC REPORT

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- Achieving “Outstanding” status by OFSTED following an inspection in October 2018.
- Maintained numbers on roll, with a significant number of parents choosing Windhill21 as their first choice. With the exception of our Nursery, the Trust is now full in all year groups and exceeds the published admission number in some classes in KS2.
- Recruiting and retaining quality staff in a climate where recruitment remains extremely challenging. Despite the recruitment crisis and maternity, we have been able to maintain a good teaching profile.
- Pupil Attendance - statutory school age children (years 1- 6) for the period was 96.9%, an increase of 0.3% on the same period last year. Including children in our reception classes who are non-statutory, the figure was 96.7%. This was an increase of 0.3% on the same period last year. Persistent absence has reduced year on year and the overall school figure was 2.1%, a decrease of 1%. All data shows positive progress year on year and the School's figures for statutory school age children exceed the most recent national figures available.
- Sporting successes included rapid quick fire cricket and boys' Kwick Cricket county champions
- Awarded Gold Sports Mark for the 4th year running.
- Excellent progress in Early Years and in year 6 SATs. Windhill21 in top ten performing schools in the county and within the top 10% nationally.
- The School continues to be outward focused – visiting other schools for ideas, continuing to support other schools, working with Catalyst Teaching Alliance and Bishop's Stortford Educational Trust and delivering training.
- The delivery of a deep, enquiry-based wider curriculum recognised by OFSTED.

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Whole School Results – July 2019

EYFS (Early Years Foundation Stage) Good Level of Development - 76%

Year 1 Phonics Screening – 86%

Year 2 SATs Results:

	Expected +	Greater Depth
Reading	78%	32%
Writing	75%	19%
Maths	81%	29%

Year 6 SATs Results:

	Expected +	Greater Depth
Reading	93%	45%
Writing	90%	32%
Maths	92%	53%
Grammar, Punctuation and Speech	97%	62%
Reading Writing and Maths Combined	82%	30%

End of Key Stage 2 Results

Children achieving scaled score of 100 or more:

Subject area:	School result 2017	School result 2018	School 2019
Reading	92%ARE/36%HS	86%ARE/49%HS	93%ARE/45%HS
Writing	86%ARE/28%HS	86%ARE/31%HS	90%ARE/32%HS
Maths	88%ARE/32%HS	92%ARE/41%HS	92%ARE/53%HS
EGPS	92%ARE/52%HS	86%ARE/58%HS	97%ARE/62%HS
RWM combined	82%ARE/16%HS	78%ARE/27HS	82%ARE/30%HS

Subject area	National 2019	Herts 2019
Reading	73%ARE/28%HS	76%ARE/31%HS
Writing	78%ARE/20%HS	79%ARE/25%HS
Maths	79%ARE/24%HS	80%ARE/29%HS
EGPS	78%ARE/34%HS	80%ARE/37%HS
RWM combined	65%ARE/10%HS	67%ARE/13%HS

ARE= Ager Related Expectations

HS =Higher Standard

KS2 Progress

	Windhill21 2017	Windhill21 2018	Windhill21
Reading	4.94 Well above average	3.54 Well above average	n/a
Writing	2.71 Above average	1.84 Above average	n/a
Maths	3.60 Well above average	2.72 Above average	n/a

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End of Key Stage 1 Results

	Working at expected standard				
	School 2017	School 2018	School 2019	National 2018	Herts 2019
Reading	81%	78%	78%	75%	77%
Writing	73%	74%	75%	70%	71%
Maths	76%	79%	81%	76%	77%
RWM	69%	67%		65%	66%
Science	92%	81%		83%	84%

	Working at greater depth				
	School 2017	School 2018	School 2019	National 2018	Herts 2019
Reading	31%	33%	32%	26%	31%
Writing	24%	22%	19%	16%	19%
Maths	27%	24%	29%	22%	26%
RWM	18%	21%		12%	15%
Science	n/a				

Phonics at Key Stage One Results

School result 2018	School results 2019	National Results 2018	Herts results 2018
93%	86%	83%	84%

EYFS Outcomes

	GLD+				EXC			
	School 2018	School 2019	National 2018	Herts 2019	School 2018	School 2019	National 2018	Herts 2019
Overall GLD	73%	76.7%	71.6%	72.9%	11.7%	-----	-----	-----
Reading	75%	78.3%	77%	79%	23%	21.7%	19%	23%
Writing	73%	76.7%	74%	75%	17%	15%	11%	15%
Numbers	77%	81.7%	80%	81%	23%	26.7%	16%	21%
Shape, space and measures	77%	83.3%	82%	82%	22%	26.7%	15%	20%

Key Performance Indicators

The Trustees receive regular information at each Committee meeting to enable them to monitor the performance of the School compared to Trust's aims, strategic plans and the financial budgets.

The Key Performance Indicators for 2018/19 are reflected across the following areas included in the School Improvement Plan:

- outcomes;
- teaching, learning and assessment;
- pupil development and well-being; and
- leadership and management.

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The priorities have been monitored throughout the year by the Trustees in the following ways:

- regular review of the Trustees' Monitoring Plan;
- active questioning;
- receipt of regular reports re pupil premium and pupil performance;
- monitoring visits;
- monitoring of progress against the School Improvement Plan; and
- monthly financial monitoring reports.

The Trustees review the progress and impact made against the KPIs and School Improvement Plan on a termly basis.

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

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2019 the Trust received £2,343,425 of GAG and other income. A high percentage of this income is spent on salaries and support costs to deliver the Trust's primary objective of the provision of education.

During the year the Trust spent £2,216,168 (excluding depreciation) and transferred £6,432 in relation to fixed assets purchased from GAG. The Trust brought forward (excluding pensions and fixed assets) from 17/18, £25,490 restricted funds (all relating to the Children's Centre) and £218,086 unrestricted funding (which included £77,159 of designated Children's Centre Funding). The carry forward for 18/19 is £nil restricted funding, £78,710 of restricted fixed asset CIF funding and £313,833 of unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,143,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £313,833. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust always plans to have a carry forward equivalent to 2% of grant income to assist the Trustees in making strategic decisions to keep in line with national funding changes and curriculum needs.

The Trust's year-end balance on restricted general funds (excluding pension reserve) plus unrestricted funds was £313,833.

The cash balance of the Trust has been healthy all year, ending the year with a balance of £509,185.

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Investment Policy

An Investment Policy was last approved by the Board of Trustees in March 2019. The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Resources Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an Academy Trust, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Trustees recognise the adverse budgetary outlook across the public sector, and in particular education, and acknowledge the projected impact on School reserves. The Trustees are actively providing oversight with the School executive team in order to ensure a sustainable day-to-day structure and operation across the 3-year horizons.
- The Trust has considerable reliance on continued Government funding through the ESFA and 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 pupils in sufficient numbers by maintaining the highest educational standards. In order to mitigate this risk, Trustees ensure that pupil progress and outcomes are closely monitored and reviewed.
- Safeguarding and child protection. The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing. The success of the Trust is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds. The Trustees have appointed an Internal Auditor to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area.

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

- Financial instruments. The Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low.
- Defined benefit pension liability. As the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist, the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

The Trust only held small fundraising events during the year in addition to minor events to raise funds for donating to charities. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Plans for Future Periods

The aims and key objectives set for 2019/20, together with details of the activities planned to achieve them are detailed in the School Improvement Plan along with details. The key performance objectives are:

1. Quality of Education

- a) Outstanding Teaching and Learning
 - Ensure internal assessment is accurate and is used to inform the curriculum and teaching.
 - All children make average sub stage progress of 3 steps.
 - Children who are identified as needing further support make 4 steps plus per year unless pupil has profound SEN needs.
 - The % of children at Broadly ARE+, ARE+ and >ARE increases over the year. Summer data suggests:
 - to raise attainment in writing across the school by one step; and
 - to raise attainment in year 4 and 5.
 - Progress in year 6/year 2 is at least in line with previous years.
 - Disadvantaged and SEN fulfil their potential.

- b) Outcomes
 - Ensure internal assessment is accurate and is used to inform the curriculum and teaching.
 - All children make average sub stage progress of 3 steps.
 - Children who are identified as needing further support make 4 steps plus per year unless pupil has profound SEN needs.
 - The % of children at Broadly ARE+, ARE+ and >ARE increases over the year. Summer data suggests:
 - to raise attainment in writing across the school by one step; and
 - to raise attainment in year 4 and 5.
 - Progress in year 6/year 2 is at least in line with previous years.
 - Disadvantaged and SEN fulfil their potential.

- c) Quality Curriculum

Review the curriculum in line with new Ofsted framework:

 - Inextricably link Oracy and Global Goals to curriculum.
 - Raise the achievement and engagement in Maths – further embed Maths Mastery.
 - Vocabulary Focus: 'Close the vocabulary gap'.
 - Pilot, develop and embed writing Conference initiative.
 - To develop the love of reading.
 - Raise the achievement and engagement in science – PSQM.

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2. Behaviours and Attitudes:

- a) Attendance
 - Attendance to be 97%.
 - Persistent absence to be below 4%.
- b) Exemplary behaviour
 - High expectations are communicated.
 - Mutual respect underpins the School culture.
 - To develop a pupil programme which supports a highly positive, tangible contribution to the life of the School.
- c) Behaviour for Learning
 - Ensure a Growth Mindset is at the heart of Windhill21.
 - A consistent approach is taken by all staff.

3. Personal Development

- a) Developing character education:
 - Honing presentation skills.
 - Having a voice.
 - Focus on the skill of empathy.
 - Being self-effacing.
 - Developing pupils' moral compass.
- b) Supporting Mental Well-being:
 - Engaging 'Natural Flair' to support year 5 and 6.
 - Becoming a Nurture School.
 - Children feel valued and respected.
- c) Promoting equal opportunity and diversity:
 - Acute Global Goals awareness.
 - Understanding and acceptance of differences in others and respect protected characteristics.

4. Leadership and Management:

- a) Staff well-being
 - Workload support – simplifying reports.
 - Well-being sessions – Juno Learning.
 - Upgrade staff room.
 - Off-site provision.
 - Have an overview of visits and ensure they meet pupil's needs.
 - Professional Development of leaders (Juno Learning/Leadership Matters/Chartered College/Peer to Peer).
 - Visit other schools to glean expertise.
 - All new staff have a thorough induction and robust support for development.
 - All staff are upskilled at the same time with new initiatives.
 - Development meetings are focused on pedagogy and knowledge.
- b) Effective Safeguarding
 - Regular updates/training for staff and volunteers.
 - Effective use of CPOMs.
 - Premises and learning environment.
 - Maintaining an environment of excellence.
 - Developing KS2 playground.
- c) Finance
 - To operate within the agreed financial principles.

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- d) **Governors**
 - To deliver a comprehensive programme of visits which inform the Governors about progress and contributes to School evaluation.
- e) **Partnerships**
 - To work with local partner schools to improve standards
 - To work with Catalyst Teaching School Alliance and Bishop' Stortford Education Trust
- f) **Pupil Premium**
 - Pupil Premium money makes impact.

5. Early Years

- a) **Outstanding Teaching and Learning**
 - Phonics teaching is outstanding.
 - Vocabulary is a focus.
- b) **Assessment which reflects accurate progress and attainment**
 - Pilot EYFS new baseline assessment.
- c) **Outcomes**
 - 4 steps progress.
 - Increase in progress in writing.
- d) **Curriculum**
 - Engaging well-planned curriculum.
 - Outside provision is of the highest quality.
 - Enhancements and enticements are made based on the response of children's needs.
 - Development of Maths Mastery.
 - Develop the love of reading.
 - Development of writing so that attainment is raised and gap narrows with reading.
- e) **Attitudes and Behaviours**
 - Development of thinking critically through P4C and Oracy.
 - Teachers develop thinking on engagement with pupils.
 - Culture of enthusiasm, questioning and deep-thinking learning make pupils curious, motivated and engaged.

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held on behalf of others.

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

Auditor

Insofar as the Trustees are aware:

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

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to reappoint them for the current financial year was proposed and agreed at the Annual meeting held by the Members.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 26 November 2019 and signed on the Board's behalf by:

Ms Naomi Holloway
Chair of Trustees

WINDHILL ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Windhill Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
Ms Naomi Holloway, Chair	7	7
Mrs Katherine Byrne	4	7
Mr John Darker	3	7
Mrs Philippa Moore, Headteacher	7	7
Mr Sam Mountford	7	7
Mrs Abby Westell	6	7
Mr David Harvey	6	7
Mr Nigel Fletcher	3	4
Mrs Emily Hodges	5	7
Mrs Katie Lewis	7	7
Mrs Debra Price	6	7
Mrs Karen Poole	5	6

Review of year:

Key changes in composition of the Board of Trustees during the year include:

- Naomi Holloway remained Chair of Governors
- Two new trustees appointed mid-year:
Emily Hodges
Karen Poole
- One long standing trustee resigned with effect from 31/8/2019 (John Darker)

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance reviews:

The annual Governor Day was held in July 2019 with minutes published on the School website. Items considered included:

- Strategy:
 - New OFSTED framework.
 - School improvement plan.
 - Self-evaluation form.
- Effectiveness of Governing Body
 - Skills audit using the National Governors' Association skills matrix.
 - Succession planning.
 - Effectiveness of meeting minutes.
- Governor monitoring and governor links.
- Learning walks.

The next governance review will be carried out in the summer term 2020 as part of the annual Governor Day agenda.

The Resources Committee is a sub-committee of the main Board of Trustees and is responsible for the Trust's financial reporting, accounting systems and internal controls. Its purpose is to assist the Board of Trustees in fulfilling its duties and responsibilities in relation to the financial management of the Trust. The Committee ensures that the risks of the Trust, financial and otherwise, are effectively reviewed and managed and that the annual financial statements give a true and fair view of the activities of the Trust. Full details of the Committee's remit are included in the terms of reference.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr John Darker	4	4
Mrs Phillipa Moore	4	4
Mrs Abby Westell	4	4
Mr David Harvey	4	4
Mr Nigel Fletcher	2	3
Mrs Emily Hodges	3	4

Emily Hodges joined the committee at the start of the year.

In addition to the Resources Committee, the Board of Trustees has appointed a Finance Working Party which has the specific remit to scrutinise the actions necessary to mitigate the risk of a financial deficit and any further erosion of reserves, the aim of which is to:

- ensure the Board of Trustees retains strategic control of the Academy's financial position;
- ensure adequate financial controls are in place to ensure the Board of Trustees scrutinise decisions that may materially erode reserves;
- avoid any unnecessary constraint on the Academy's leadership autonomy to deliver the Windhill21 core purpose to inspire all with a life long love of learning;
- protect management autonomy for the Headteacher and her leadership team with regards to day to day financial decision making; and
- provide assurance that the largest proportion of budget is spent directly on the education of the children.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

This year the Finance Working Party met to:

- agree financial principles within which the senior leadership team is to operate;
- consider a response to letter received from ESFA regarding the school's 3-year financial forecast;
- consider the proposed budget 2019/20.

Review of value for money

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

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

- sharing outstanding practice and providing training opportunities through collaborative work, with the Catalyst Teaching Schools Alliance, Bishop's Stortford Educational Trust and local schools to ensure the quality of our teaching is at least good, if not outstanding;
- re-organisation of the School's staffing structure to reduce salary costs for:
 - Senior leadership
 - Teachers
 - Support staff;
- maximising income generation through consultancy work and moderation visits carried out by the Headteacher, School Business Leader, Headteacher and senior teachers on behalf of Herts for Learning Ltd, Maths Matrix Hub and the ESFA; and
- Maximising income through the offer of additional nursery sessions as part of the School's nursery provision.

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 Windhill Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint SBM Services Ltd as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

Administration, Finance & Management Systems

- Financial Management Policies
- Gifts & Hospitality
- Financial Management Accounting System
- Previous audit recommendations

Purchasing & Creditors

- Value for Money
- Procurement Processes
- Purchase Ledger
- Charge/Purchase Cards
- Account Signatories & Payments

Income

- Funding Reconciliations
- Lettings
- Debt Management
- Income Collection

Bank & Cash

- Bank Reconciliations
- Petty Cash
- Payment Authorisation
- Cash Flow Management

On a bi-annual basis, the Internal Auditor reports to the Board of Trustees through the Resources Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees and signed on their behalf by:

Ms Naomi Holloway
Chair of Trustees

Mrs Philippa Moore
Accounting Officer

Date: 5 December 2019

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Windhill Academy trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy 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 2018.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2018.

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

Mrs Philippa Moore
Accounting Officer

Date: 6 December 2019

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

Ms Naomi Holloway
Chair of Trustees

Date: 5 December 2019

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Windhill Academy trust (the 'Academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy'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.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy 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.

Gary Miller (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

10 December 2019

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 17 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Windhill Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Windhill Academy trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Windhill Academy trust's funding agreement with the Secretary of State for Education dated 1 March 2015 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

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

Reporting Accountant

Price Bailey LLP

Date: 10 December 2019

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:						
Donations and capital grants	3	9,067	55,868	124,488	189,423	52,628
Charitable activities	4	74,584	1,999,795	-	2,074,379	2,533,659
Other trading activities	5	79,379	-	-	79,379	82,659
Investments	6	244	-	-	244	306
Total income		<u>163,274</u>	<u>2,055,663</u>	<u>124,488</u>	<u>2,343,425</u>	<u>2,669,252</u>
Expenditure on:						
Charitable activities	7	90,026	2,119,222	117,241	2,326,489	2,917,206
Total expenditure		<u>90,026</u>	<u>2,119,222</u>	<u>117,241</u>	<u>2,326,489</u>	<u>2,917,206</u>
Net income/ (expenditure)		<u>73,248</u>	<u>(63,559)</u>	<u>7,247</u>	<u>16,936</u>	<u>(247,954)</u>
Transfers between funds	17	22,499	(28,931)	6,432	-	-
Net movement in funds before other recognised gains/(losses)		<u>95,747</u>	<u>(92,490)</u>	<u>13,679</u>	<u>16,936</u>	<u>(247,954)</u>
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(399,000)	-	(399,000)	260,000
Net movement in funds		<u>95,747</u>	<u>(491,490)</u>	<u>13,679</u>	<u>(382,064)</u>	<u>12,046</u>
Reconciliation of funds:						
Total funds brought forward (as restated)		218,086	(651,510)	4,009,561	3,576,137	3,564,091
Net movement in funds		95,747	(491,490)	13,679	(382,064)	12,046
Total funds carried forward		<u>313,833</u>	<u>(1,143,000)</u>	<u>4,023,240</u>	<u>3,194,073</u>	<u>3,576,137</u>

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

The notes on pages 31 to 52 form part of these financial statements.

WINDHILL ACADEMY TRUST
REGISTERED NUMBER: 09433068
(A Company Limited by Guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	12	3,944,530	4,009,561
Current assets			
Debtors	13	110,743	98,683
Cash at bank and in hand		509,185	432,243
		619,928	530,926
Creditors: amounts falling due within one year	14	(195,887)	(262,601)
Net current assets		424,041	268,325
Total assets less current liabilities		4,368,571	4,277,886
Creditors: amounts falling due after more than one year	15	(31,498)	(24,749)
Net assets excluding pension liability		4,337,073	4,253,137
Defined benefit pension scheme liability	22	(1,143,000)	(677,000)
Total net assets		3,194,073	3,576,137
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	4,023,240	4,009,561
Restricted income funds	17	-	25,490
		4,023,240	4,035,051
Restricted funds excluding pension liability	17	4,023,240	4,035,051
Pension reserve	17	(1,143,000)	(677,000)
Total restricted funds	17	2,880,240	3,358,051
Unrestricted income funds	17	313,833	218,086
Total funds		3,194,073	3,576,137

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 27 to 52 were approved by the Trustees, and are signed on their behalf, by:

Ms Naomi Holloway
Chair of Trustees

Date: 5 December 2019

The notes on pages 31 to 52 form part of these financial statements.

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	128,908	(159,676)
Cash flows from investing activities	20	(51,966)	(30,091)
Change in cash and cash equivalents in the year		76,942	(189,767)
Cash and cash equivalents at the beginning of the year		432,243	622,010
Cash and cash equivalents at the end of the year	21	<u>509,185</u>	<u>432,243</u>

The notes on pages 31 to 52 form part of these financial statements

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

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

The functional and presentational currency is Pounds Sterling.

1.2 Company status

The Academy is a Company limited by guarantee. The Members of the Company are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Academy's registered office is Windhill School, Windhill, Bishop's Stortford, Hertfordshire, CM23 2NE.

1.3 Going concern

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

1.4 Fund accounting

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

WINDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.5 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.6 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.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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

1. Accounting policies (continued)

1.7 Taxation

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

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

1.8 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long term leasehold property	- 50 years straight line
Furniture and equipment	- 10 years straight line
Computer equipment	- 5 years straight line
Motor vehicles	- 5 years 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 Statement of Financial Activities.

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.

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

1. Accounting policies (continued)

1.11 Liabilities

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

1.12 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.13 Operating leases

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

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

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trustees make 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	9,067	55,868	64,935	44,347
Capital grants	-	124,488	124,488	8,281
Total 2019	<u>9,067</u>	<u>180,356</u>	<u>189,423</u>	<u>52,628</u>
Total 2018	<u>8,743</u>	<u>43,885</u>	<u>52,628</u>	

In 2018, income from donations was £44,347 of which £8,743 was unrestricted and £35,604 was restricted.

In 2019, capital grants of £126,488 (2018: £8,281) were in relation to restricted fixed assets.

4. Funding for the Academy's provision of education

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,614,397	1,614,397	1,623,404
Other DfE / ESFA grants	-	197,090	197,090	191,530
	<u>-</u>	<u>1,811,487</u>	<u>1,811,487</u>	<u>1,814,934</u>
Other government grants				
Local Authority grants	-	188,308	188,308	656,606
	<u>-</u>	<u>188,308</u>	<u>188,308</u>	<u>656,606</u>
Other funding				
Catering income	74,584	-	74,584	62,119
	<u>74,584</u>	<u>1,999,795</u>	<u>2,074,379</u>	<u>2,533,659</u>
Total 2018	<u>62,119</u>	<u>2,471,540</u>	<u>2,533,659</u>	

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

4. Funding for the Academy's provision of education (continued)

In 2018, income from DFE/ESFA grants was £1,814,934 of which all was restricted.

In 2018, income from other government grants was £656,606 of which all was restricted.

In 2018, income from catering was £62,119 of which all was unrestricted.

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	33,395	33,395	27,798
Other income	45,984	45,984	54,861
	79,379	79,379	82,659
	79,379	79,379	82,659

In 2018, hire of facilities was £27,798 of which all was unrestricted.

In 2018, other income was £54,861 of which all was unrestricted.

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	244	244	306
	244	244	306
	244	244	306

In 2018, all investment income was in relation to unrestricted funds.

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

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Provision of Education:					
Direct costs	1,497,194	-	164,142	1,661,336	2,137,223
Support costs	237,209	174,290	253,654	665,153	779,983
	<u>1,734,403</u>	<u>174,290</u>	<u>417,796</u>	<u>2,326,489</u>	<u>2,917,206</u>
Total 2018	<u>2,224,192</u>	<u>290,931</u>	<u>402,083</u>	<u>2,917,206</u>	

In 2019, of total expenditure £90,026 (2018: £168,646) was to unrestricted funds, £2,119,222 (2018: £2,631,565) was to restricted funds, £nil (2018: £nil) was to designated funds and £117,241 (2018: £116,995) was to restricted fixed asset funds.

In 2018, direct expenditure consisted of £1,989,847 staff costs and £147,376 other costs.

In 2018, support expenditure consisted of £234,345 staff costs, £290,931 premises costs and £254,707 other costs.

	2019 £	2018 £
Direct costs	1,661,336	2,137,223
Support costs	665,153	779,983
Total	<u>2,326,489</u>	<u>2,917,206</u>

	2019 £	2018 £
Analysis of support costs		
Support staff costs	237,209	234,345
Depreciation	110,321	101,157
Technology costs	22,542	38,323
Premises costs (excluding depreciation)	63,969	189,774
Other support costs	221,607	208,324
Governance costs	9,505	8,060
	<u>665,153</u>	<u>779,983</u>

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

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	110,321	101,157
Fees paid to Auditors for:		
- audit	4,345	4,220
- other services	4,795	4,635
	119,461	110,642

9. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,333,654	1,652,948
Social security costs	109,102	131,298
Pension costs	291,647	439,946
	1,734,403	2,224,192

b. Staff numbers

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

	2019 No.	As restated 2018 No.
Teachers	22	27
Administration and support	48	68
Management	4	4
	74	99

The 2018 management numbers were restated to include only senior leadership team members who do not have day to day teaching duties. The Headteacher is always considered to be management irrespective of any teaching duties. This is inline with the Academies Accounts Direction 2018-19 guidance.

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

9. Staff costs (continued)

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £70,001 - £80,000	1	1
	<u> </u>	<u> </u>

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance contributions) received by key management personnel for their services to the Trust was £441,338 (2018: £485,537).

10. Trustees' remuneration and expenses

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

		2019 £	2018 £
Mrs Philippa Moore, Headteacher	Remuneration	75,000 -	75,000 -
		80,000	80,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mrs Debra Price (resigned 31 August 2019)	Remuneration	45,000 -	45,000 -
		50,000	50,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

During the year ended 31 August 2019, expenses totalling £23 were reimbursed or paid directly to 1 trustee (2018 - £34 to 1 trustee). Expenses reimbursed related to travel expenses.

11. Trustees' and Officers' insurance

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

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

12. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	4,104,417	155,199	82,954	20,076	4,362,646
Additions	-	38,014	14,196	-	52,210
Disposals	-	-	-	(9,436)	(9,436)
At 31 August 2019	<u>4,104,417</u>	<u>193,213</u>	<u>97,150</u>	<u>10,640</u>	<u>4,405,420</u>
Depreciation					
At 1 September 2018	257,504	52,315	33,479	9,787	353,085
Charge for the year	70,562	15,520	22,111	2,128	110,321
On disposals	-	-	-	(2,516)	(2,516)
At 31 August 2019	<u>328,066</u>	<u>67,835</u>	<u>55,590</u>	<u>9,399</u>	<u>460,890</u>
Net book value					
At 31 August 2019	<u><u>3,776,351</u></u>	<u><u>125,378</u></u>	<u><u>41,560</u></u>	<u><u>1,241</u></u>	<u><u>3,944,530</u></u>
At 31 August 2018	<u><u>3,846,913</u></u>	<u><u>102,884</u></u>	<u><u>49,475</u></u>	<u><u>10,289</u></u>	<u><u>4,009,561</u></u>

13. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	6,399	3,957
VAT recoverable	4,839	8,874
Prepayments and accrued income	99,505	85,852
	<u><u>110,743</u></u>	<u><u>98,683</u></u>

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

14. Creditors: Amounts falling due within one year

	2019	As restated 2018
	£	£
Trade creditors	22,121	11,554
Other taxation and social security	26,556	32,224
Other creditors	58,924	35,927
Accruals and deferred income	88,286	182,896
	<u>195,887</u>	<u>262,601</u>
	<u>195,887</u>	<u>262,601</u>
	2019	2018
	£	£
Deferred income at 1 September 2018	93,041	203,381
Resources deferred during the year	59,057	93,041
Amounts released from previous periods	(93,041)	(203,381)
	<u>59,057</u>	<u>93,041</u>
	<u>59,057</u>	<u>93,041</u>

At the balance sheet date deferred income relates to Universal Infant Free School meals funding and trip income paid in advance for the 2019/20 academic year.

15. Creditors: Amounts falling due after more than one year

	2019	As restated 2018
	£	£
Other creditors	31,498	24,749
	<u>31,498</u>	<u>24,749</u>
	<u>31,498</u>	<u>24,749</u>

The balance relates to one Salix loan repayable in 2026 and two CIF loans repayable in 2027 and 2028.

16. Prior year adjustments

A prior year adjustment has been made to reflect a CIF loan of £20,000 that has previously been accounted for as income. The adjustment results in a reduction of brought forward funds by £20,000.

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

17. Statement of funds

	As restated Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted						
Designated						
Children's Centre	77,159	-	-	(77,159)	-	-
General						
Unrestricted	140,927	163,274	(90,026)	99,658	-	313,833
Total	218,086	163,274	(90,026)	22,499	-	313,833
Restricted						
Children's Centre	25,490	38,433	(41,424)	(22,499)	-	-
GAG	-	1,614,397	(1,607,965)	(6,432)	-	-
Pupil Premium	-	94,678	(94,678)	-	-	-
Other DFE	-	102,412	(102,412)	-	-	-
Trips	-	55,868	(55,868)	-	-	-
OGG	-	149,875	(149,875)	-	-	-
Pension reserve	(677,000)	-	(67,000)	-	(399,000)	(1,143,000)
	(651,510)	2,055,663	(2,119,222)	(28,931)	(399,000)	(1,143,000)
Restricted fixed asset						
Restricted Fixed Asset's	4,009,561	-	(117,241)	52,210	-	3,944,530
DFC	-	27,391	-	(27,391)	-	-
CIF	-	97,097	-	(18,387)	-	78,710
	4,009,561	124,488	(117,241)	6,432	-	4,023,240
Total Restricted	3,358,051	2,180,151	(2,236,463)	(22,499)	(399,000)	2,880,240
Total funds	3,576,137	2,343,425	(2,326,489)	-	(399,000)	3,194,073

WINDHILL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. Statement of funds (continued)

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

Designated fund/Restricted Children's Centre fund

The Trustees had previously designated funds that were received and treated as unrestricted funds when the School became an Academy but which have been earmarked as Children's Centre funds. The Children's Centre has now been taken over at the year end and the designated funds transferred back into general unrestricted funds. The Children's Centre has now been taken over at the year end and the previous restricted funds relating to the Children's Centre have now been transferred into general unrestricted funds as there is no clawback on the funds. The agreement to provide lead agency services for the Stort Valley and Villages Children's Centre Group ceased on 30th September 2018.

General Annual Grant (GAG)

This represents funding from the ESFA to be used for the normal running costs of the Trust, including education and support costs.

Pupil Premium

This represents funding to be used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other DfE/ESFA grants

This represents funding received from the ESFA/DfE which is restricted in nature.

Educational trips

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the trips.

Other Government grants (OGG)

This represents various grants from local and national Government bodies for the provision of specific services to pupils of the School.

Pension reserve

This reserve represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to it on conversion from a state controlled school.

Restricted fixed asset fund

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

Devolved Formula Capital (DFC)

This represents funding received from ESFA specifically for the maintenance and improvement of the Trust's buildings and facilities.

Condition Improvement Funding (CIF)

The Academy is to use this funding for the purpose of fire safety improvements.

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

17. Statement of funds (continued)

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

	As restated Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2018 £
Designated						
Children's Centre (CC)	69,938	7,221	-	-	-	77,159
General						
Unrestricted	162,967	146,606	(168,646)	-	-	140,927
Total	232,905	153,827	(168,646)	-	-	218,086
Restricted						
CC	41,308	453,096	(468,914)	-	-	25,490
GAG	-	1,623,404	(1,593,007)	(30,397)	-	-
Pupil Premium	-	109,749	(109,749)	-	-	-
Other DFE	-	81,781	(81,781)	-	-	-
Trip income	-	35,604	(35,604)	-	-	-
OGG	-	203,510	(203,510)	-	-	-
Pension	(798,000)	-	(139,000)	-	260,000	(677,000)
	(756,692)	2,507,144	(2,631,565)	(30,397)	260,000	(651,510)
Restricted fixed asset						
Fixed Asset's	4,083,102	-	(103,938)	30,397	-	4,009,561
DFC	-	8,281	(8,281)	-	-	-
CIF	4,776	-	(4,776)	-	-	-
	4,087,878	8,281	(116,995)	30,397	-	4,009,561
Total Restricted	3,331,186	2,515,425	(2,748,560)	-	260,000	3,358,051
Total funds	3,564,091	2,669,252	(2,917,206)	-	260,000	3,576,137

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	3,944,530	3,944,530
Current assets	331,582	209,636	78,710	619,928
Creditors due within one year	(2,251)	(193,636)	-	(195,887)
Creditors due in more than one year	(15,498)	(16,000)	-	(31,498)
Provisions for liabilities and charges	-	(1,143,000)	-	(1,143,000)
Total	<u>313,833</u>	<u>(1,143,000)</u>	<u>4,023,240</u>	<u>3,194,073</u>

Analysis of net assets between funds - prior year (as restated)

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	4,009,561	4,009,561
Current assets	238,086	292,840	-	530,926
Creditors due within one year	-	(262,601)	-	(262,601)
Creditors due in more than one year	(20,000)	(4,749)	-	(24,749)
Provisions for liabilities and charges	-	(677,000)	-	(677,000)
Total	<u>218,086</u>	<u>(651,510)</u>	<u>4,009,561</u>	<u>3,576,137</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	16,936	(247,954)
Adjustments for:		
Depreciation	110,321	99,948
Interest receivable	(244)	(306)
Increase in debtors	(12,060)	(271)
Decrease in creditors	(59,965)	(154,083)
Pension adjustment	67,000	139,000
Loss on sale of fixed assets	6,920	3,990
Net cash provided by/(used in) operating activities	128,908	(159,676)

20. Cash flows from investing activities

	2019 £	2018 £
Interest received	244	306
Purchase of tangible fixed assets	(52,210)	(30,397)
Net cash used in investing activities	(51,966)	(30,091)

21. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	509,185	432,243
Total cash and cash equivalents	509,185	432,243

22. Pension commitments

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

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

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

22. Pension commitments (continued)

Contributions amounting to £27,536 were payable to the schemes at 31 August 2019 (2018 - £35,657) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities.

In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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22. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £132,548 (2018 - £134,032).

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

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

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £137,000 (2018 - £233,000), of which employer's contributions totalled £111,000 (2018 - £189,000) and employees' contributions totalled £ 26,000 (2018 - £44,000). The agreed contribution rates for future years are 25.4 per cent for employers and 6.5 per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.4	2.4
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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

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22. Pension commitments (continued)

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.5	22.5
Females	23.7	24.9
<i>Retiring in 20 years</i>		
Males	22.3	24.1
Females	25.0	26.7

Sensitivity analysis

	2019	2018
Discount rate +0.1%	(79,044)	(56,400)
Discount rate -0.1%	79,044	56,400
Mortality assumption - 1 year increase	22,584	16,800
Mortality assumption - 1 year decrease	(22,584)	(16,800)
CPI rate +0.1%	67,752	50,400
CPI rate -0.1%	(67,752)	(50,400)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	823,000	754,000
Corporate bonds	656,000	498,000
Property	134,000	114,000
Cash and other liquid assets	67,000	57,000
Total market value of assets	1,680,000	1,423,000

The actual return on scheme assets was £127,000 (2018 - £67,000).

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

22. Pension commitments (continued)

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

	2019 £	2018 £
Current service cost	(156,000)	(307,000)
Past service cost	(3,000)	-
Interest income	42,000	31,000
Interest cost	(61,000)	(52,000)
Total amount recognised in the Statement of Financial Activities	(178,000)	(328,000)

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

	2019 £	2018 £
At 1 September	2,100,000	1,927,000
Current service cost	156,000	307,000
Interest cost	61,000	52,000
Employee contributions	26,000	44,000
Actuarial losses/(gains)	484,000	(224,000)
Benefits paid	(7,000)	(6,000)
Past service costs	3,000	-
At 31 August	2,823,000	2,100,000

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

	2019 £	2018 £
At 1 September	1,423,000	1,129,000
Interest income	42,000	31,000
Actuarial gains	85,000	36,000
Employer contributions	111,000	189,000
Employee contributions	26,000	44,000
Benefits paid	(7,000)	(6,000)
At 31 August	1,680,000	1,423,000

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

23. Operating lease commitments

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

	2019 £	2018 £
Amounts payable:		
Within 1 year	7,191	13,039
Between 1 and 5 years	17,564	20,364
After more than 5 years	48,301	52,692
Total	<u>73,056</u>	<u>86,095</u>

24. 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.

25. Related party transactions

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

No related party transactions took place in the year, other than Trustees' remuneration and expenses already disclosed in note 10.