

Company registration number 07785550 (England and Wales)

**THE WILLOWS SCHOOL ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# THE WILLOWS SCHOOL ACADEMY TRUST

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# THE WILLOWS SCHOOL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

B Grant  
J Knight (resigned 1 November 2022)  
O Olufunwa

### Trustees

P Gregory-Hunt  
J Knight (Chair) (Resigned 1 November 2022)  
M Shaw (Accounting Officer)  
T Travers  
O Olufunwa  
B Grant (Chair)  
N Axtell-Kent (Appointed 1 November 2022)

### Senior leadership team

M Shaw - Headteacher  
P Gregory-Hunt - Deputy Headteacher and SENDCO

### Company registration number

07785550 (England and Wales)

### Principal and registered office

The Willows School  
Stipularis Drive  
Hayes  
Middlesex  
UB4 9QB  
United Kingdom

### Independent auditor

Azets Audit Services  
Ashcombe Court  
Woolsack Way  
Godalming  
GU7 1LQ  
United Kingdom

### Bankers

Lloyds Bank plc  
Ealing  
London  
W5 5JU

### Solicitors

TPP Law Limited  
53 Great Suffolk Street  
London  
SE1 0DB  
United Kingdom

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trustees present their annual report together with the financial statements and Auditor's Report of The Willow's School Academy Trust (the Charitable Company, the Academy or the Trust) for the year 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' report, and a Directors' Report under company law.

The Charitable Company operates as an academy for pupils with EHCPs-Education Health Care Plans. In the January 2023 school census, the number of pupils on roll was 52, of which 44 were boys and 8 girls, 30 Pupil Premium and 3 LACs.

#### **Structure, governance and management**

##### Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and Articles of Association are 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 also known as The Willows School Academy Trust (the School).

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section on page 1.

##### 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' 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 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.

##### Method of recruitment and appointment or election of Trustees

Parent Governors are appointed by the election of parents of students attending the School.

Staff Governors are appointed by election of staff employed by the Academy.

Community Governors may be appointed by the Board of Trustees.

Co-opted Governors may be appointed by those Governors who are not themselves co-opted Governors.

Member Governors may be appointed directly by Members.

The Headteacher automatically becomes an ex-officio Governor.

Further Governors may be appointed by the Secretary of State.

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2023*

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#### Policies and procedures adopted for the induction and training of Trustees

All Governors receive training on Academy Governance and Governors' responsibilities three times a year. Each training session is bespoke to meet the needs of the Academy. In addition, Governors visit the School throughout the year.

New Governors receive a comprehensive induction package tailored to the needs of the individual and, where necessary training is also provided on education, legal and financial matters. All new Governors will be given a tour of the School and chance to meet with staff and students.

All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans, relevant training and other documents that they will need to undertake the role as Governors.

#### Organisational structure

The governance of the Academy 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 3 occasions per year, is responsible for the strategic direction of the Academy. The Board of Trustees deals with all functions of the Academy: Pastoral and Curriculum, Finance and Health and Safety and Personnel. The Governors review progress towards educational objectives and results, approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure and, agree the performance objectives of the Headteacher. Any internal policy decisions that are made by the leadership team and the Headteacher are discussed at Governor's meetings for ratification.

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

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

#### Arrangements for setting pay and remuneration of key management personnel

The School pay policy determines the pay and remuneration of key management personnel by a number of factors. These include the pay scales for each role and the Individual Salary Range (ISR) set for the school by the Governing Body. Additional consideration is given for retention and expansion of the role to meet the needs of the School. This is reviewed by the Governing Body every three years. The pay levels may be affected by nationally agreed pay awards and the ability to recruit and retain in post.

#### Related parties and other connected charities and organisations

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 Governor 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.

The School maintains a register of pecuniary interests of the Governors which is regularly reviewed and updated.

#### **Objectives and activities**

##### Objects and aims

The principal object and aim of the Charitable Company is the operation of The Willows School Academy Trust to provide free education and care for pupils of different abilities with EHCPs-Education and Health Care Plans for pupils aged from 5 years to 12 years old.

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Objectives, strategies and activities

During the year the Governors have worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition 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 and curriculum requirements; and
- conducting the Academy's business in accordance with the highest standards of integrity.

At The Willows, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

#### 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.

## **Strategic report**

### **Achievements and performance**

In 2022-23

In terms of attainment, The Willows Academy Trust did not perform to the standard of local and national mainstream schools and, given the cohort, there are clear reasons why this is the case. Contextually, of the 23 pupils in Year six:

- two pupils' admission dates were very close to the national testing date, both arriving prior to the March assessment, and initial teacher assessments indicated very low attainment for their age.
- several children had cognitive processing profiles and, although the progress over the year was good, they were not predicted as being able to meet the benchmark.
- One pupil had significant disruptions domestically, and the resulting ongoing trauma and upsets impacted on behaviour and learning. The goal for this pupil was to attain emotional stability, become more settled in class and at home and develop learning behaviours. This was achieved.
- One pupil arrived into the school with no English language and no social skills, having been taken into care at an early age. Again, although his progress within the school was good, it was not predicted that this child neither could nor would meet the expected end-of KS2 standards.

#### **SATS Results 2023**

All children were submitted for Key Stage 2 SATs testing. Of the 23 pupils who took part in the SATs testing, 6 pupils were unable to access fully. The academy ensured that these pupils were able to move into year 7 with a clearly defined assessment result in order for their secondary provision to begin working at their level. The Academy has started their 3 year trend post-covid and will report accordingly to the Governing Body

In addition, In the academic year 2022-2023, the Willows School Academy Trust met the schools development plan expectations and was able to meet the targets set by the Governing Body and the Headteacher. Some of these included;

#### **Safeguarding Report**

the Governing Body commissioned an annual safeguarding and Health and Safety report for the academy estate. The findings were shared at governance level and Mrs. Grant met with the commissioned team to address the report. The findings were overwhelmingly positive regarding the safeguarding aspects of the site.

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Leading Parent Partnership Award**

The school academy spent the academic year working towards and finally achieving the Optimus Award of Leading Parent Partnership Award. This is where the school academy was able to produce evidence and show that the framework for meeting parental needs and raising the profile of the parents within our school community was met. It included aspects such as transition, participation, communication, guidance, induction and home school links. The framework was met and provided clear guidance to help support and develop the role of parents within our school community.

#### **Regional Special School Football Awards**

The school academy was successful at regaining the Millers Cup which was established by The Willows several years ago. The school academy worked alongside another special school to train and develop the importance of teamwork and working together within a sports framework. The Willows was then successful at regaining the Millers Trophy at the end of year finals.

#### **Music Quality Mark**

The school achieved music status and continues to join the outer borough Sing 23 choral group. A select group of Willows pupils was able to join other borough pupils for a group event for performance.

#### **NASENCO Qualification Part 1**

The Willows continues to support staff to achieve SENCO accreditation to facilitate knowledge have qualified SENCO staff on site. this program is due for completion at the end of 2024.

#### **Attachment Programme from Roehampton University**

We have worked closely with Dr. Ben Gray and Roehampton University to facilitate knowledge to teaching staff, teaching support staff and even some of our families to cascade knowledge and gain a greater understanding in to some of the ongoing issues for our families and students when it comes to how they conduct themselves socially and the potential barriers to learning through historical attachment issues. The ongoing program with Roehampton has allowed us to offer full assessment and diagnostics relating to CAPPA checks for pupils and their families.

#### **Autism Hub**

The Willows was able to work alongside the Autism Hub in Hillingdon and complete some joint work to benefit both provisions and allow for outreach support within other provisions within our local authority. This piece of joined up work across the borough has facilitated in raising our profile and also increasing the knowledge of our staff in order to improve and increase good practice across the site.

#### **Inclusion Quality Mark and Centre of Excellence**

This external accreditation was awarded to the academy after submission of evidence showing the good practice n site, with staff, with pupils and with families. the inclusion quality mark shows that we are an inclusive school and that our values and ethos are in line with ensuring that our children are at this school academy for learning. It is recognition that we are offering our pupils their full entitlement of accessing the curriculum and that are children are valued and are receiving their full entitlement. We were so successful in our inspection of this we have also received the Centre of Excellence status and are now a South of England Hub for those wishing to view excellent practice for pupils with EHCP's who are required to access full curriculum at school.

#### **School Context**

The Academy measures its success partly through a series of performance indicators. These indicators comprise:

- Academy popularity/admissions.
- Examination results and other indicators of student performance.
- Staff and department performance monitoring.
- Financial Health.
- Stakeholder survey outcomes.
- Ofsted observation and regulation.

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Key performance indicators

The Governors receive monthly information to enable them to monitor the performance of the School compared with aims, strategies and financial budgets. As funding is based on pupil numbers this is the key performance indicator. Pupils' numbers were 57 against a forecast of 38. Demand for places remains high.

The Governors compare costs as a percentage of income to monitor financial performance as these are commonly used and benchmarked within the sector. Attendance levels have been sustained at 90% which is in line with the national average for special schools. The Academy worked on reducing the Persistent Absence levels and by the end of the academic year the number of pupils in this group reduced dramatically.

Another key performance indicator is the successful outcome of the Section 8 Ofsted inspection in July 2022 where the Academy received a grading of 'good' with some outstanding features. The Governors competently completed a full governance review prior to the full inspection and continue to review their capacity annually. The Academy has positive and comparative results with similar provisions as shown in the Government's benchmarking reporting system.

The Governing Body also monitors premises costs to General Annual Grant (GAG) income, curriculum department allocations to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

#### Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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 General Annual Grant (GAG) and other grants that it receives from the ESFA. In addition to this it receives income from Local Authorities. For the year ended 31 August 2023 the Trust received £x of GAG and other funding. In addition to this the Trust received x unrestricted income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund of £x. 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 Governors are aware of the requirement to balance current and future needs. The Governors always aim to set a balanced budget with annual income balancing annual expenditure.

The Governors review the reserves levels of the Academy annually. This review encompasses the nature of income and expenditure together with the need to match income with commitments and the nature of the reserves.



# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2023*

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The Governors have taken the decision that the appropriate level of free reserves should be available to be equivalent to one month's gross salary expenditure which is currently £95,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a buffer to deal with in expected emergencies such as urgent maintenance and repairs. The level of free reserves is £469,063.

It is planned to use reserves for planned expenditure for the following areas;

- New toilets that meet the health and safety requirements of a school site due to increase in pupil numbers and upgrading of the existing toilets due to their condition. Improvement of the staff facilities to include a staff room and toilet facilities.

In addition the following items are also planned

- Welfare room
- Boiler replacement Playground facilities
- ICT expenditure due to the need for additional on-site ICT hardware and resources
- Plans for the academy and roof replacement are contingent within the school academy's 3 year development plan

#### Investment policy

An Investment Policy was approved by the Governing Body in March 2022

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy'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 Academy does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Principal risks and uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management 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 Governors meeting. The principal risks facing the Trust are outlined below; those facing the Academy 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, 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 this is relatively stable with contingencies in place to cover such items as sickness and maternity. Demand for pupil places for SEND remains high.

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

- The Academy 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 Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. The Academy has in place a new Responsible Officer for the following financial year. All finance staff and Governors receive training to keep them up to date with financial practice requirements and develop their skills in this area.

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

Safety, maintenance and compliance with relevant regulations with regards to the trust's estate- the Academy ensures that the buildings are regularly inspected to ensure that it is compliant with legislation and to ensure the safety and well being of all stakeholders. A recent inspection undertaken by the DFE showed that the school does not have any Reinforced autoclaved aerated concrete (RAAC) on site.

#### **Fundraising**

The Academy only held small fundraising events during the year including Red Nose Day. The Academy 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.

# THE WILLOWS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2023*

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### **Plans for future periods**

The Academy continues to have a waiting list of potential pupils from a wide range of Local Authority schools. We currently work alongside 7 other Boroughs, apart from our main consideration for pupils that come from their home authority of Hillingdon. The Academy will continue with a registration of pupils up to 70 pupils and continues to support schools and other local authority SEN departments for pupils that are awaiting a placement.

### **Auditor**

In so far as the Trustees are aware:

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

Azets Audit Services was appointed auditor to the charitable company. A resolution pro-posing re-appointment will be put to the members to appoint them will be proposed at the Annual General Meeting.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2023 and signed on its behalf by:

B Grant  
**Chair**

# THE WILLOWS SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

### 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 3 times during the year.

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

Trustees	Meetings attended	Out of possible
P Gregory-Hunt	3	3
J Knight (Chair) (Resigned 1 November 2022)	1	3
M Shaw (Accounting Officer)	2	3
T Travers	1	3
O Olufunwa	2	3
B Grant (Chair)	3	3
N Axtell-Kent (Appointed 1 November 2022)	3	3

### Review of the year

The Governing Body agreed at the start of the Academic Year with the Headteacher and senior leaders, a School Development Plan. This annual planning document is used to identify the key areas on which the school and the Governing Body wish to focus during the academic year. It includes scheduled milestones and measures to assist with ongoing monitoring as well as impact indicators so that the Governing Body can assure itself that the actions taken within the plan will improve teaching and learning outcomes. In addition, the Governing Body reviewed the regular termly internal school assessment data in relation to pupil progress and attainment. Vulnerable groups including pupil premium, sports premium and LAC pupils, gender and ethnicity are closely monitored.

The Governing Body will continue to develop and work towards the longer-term strategy of the school in future years and will closely monitor financial status and progress against plan by work closely with the Headteacher and senior leaders to deliver the best outcomes for our pupils. The Governing Body have agreed a 3 year development plan alongside the Headteacher and the senior leaders of the academy. The academy has continued to trade despite high levels of staff and pupil absence this year and has ensured that all requirements for pupils with Education and Health Care Plans were being met.

### Conflicts of interest

The Governing Body and the senior leadership team are mindful of their legal duty to act in the best interest of the academy trust. Declarations of interests are a standing item at every meeting of the Governing Body. Upon appointment and at the start of each academic year, all Governors, members and senior leaders are asked to formally declare all business and pecuniary interests for themselves and their household. These declarations are collated and published on the school's website.

# THE WILLOWS SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2023*

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### **Governance reviews**

The Trustees recognise that to effectively fulfil its role, it must ensure that all of its Governors have the required skills and knowledge to support the achievement of the school's priority objectives which primarily is to raise attainment of all the students. Recognising the importance of training and development, the Governing Body has Training as an agenda item at every meeting to ensure that there is a committed and consistent focus on the areas where the Governing Body needs to develop. External courses are also made available to further develop their skills. Annual skills audits are undertaken to identify and address any skills gaps together with an annual self-evaluation of the effectiveness of the Governing Body over the school year.

The Governing Body is a member of the National Governors Association and uses this and other relevant information channels to ensure it remains abreast and up to date on relevant developments in the education sector. The Governors recognise the importance of having quality Governance and recognises the need to expand in numbers to ensure that their objectives are met. A recruitment drive was re-launched in September 2022 and was successful with one new appointment in November 2022. It was relaunched again to a wider community in January 2023 without success. The academy continues to attempt to recruit to expand the capacity of the Governing Body.

### **Review of value for money**

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

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

- Working closely with neighbouring Local Authorities to establish a provision which meets the need and demand resulting in an increase in the School roll and generation of additional income.
- Reviewing the staffing structure and deployed staff efficiently to support the new curriculum to ensure all pupils have access to an enriching curriculum
- Establishing and assessing the implementation of the new curriculum based on the International Primary Curriculum, which requires staff to ensure that this is embedded-into the Academy's local offer to ensure the pupils are able to gain access to a rich and varied curriculum within their learning time.
- Worked collaboratively with a neighbouring academy to access support to reduce procurement of resources and services.

### **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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Willows School Academy Trust for the year 1 September 2022 to 31 August 2023 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for-identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

# THE WILLOWS SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **The risk and control framework**

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

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

The Board of Trustees has decided to employ Olumuyiwa Olufunwa as internal auditor.

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

On a termly basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities:

- Internal systems for financial management and GDPR.

The internal auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the internal auditor's work.

### **Review of effectiveness**

As accounting officer, the principal 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/reviewer;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Internal Auditor and a plan to address weaknesses and ensure continuous improvement of the system will be put in place if the need arises.

Approved by order of the Board of Trustees on 15 December 2023 and signed on its behalf by:

M Shaw  
**Accounting Officer**

B Grant  
**Chair**

# THE WILLOWS SCHOOL ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2023*

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As accounting officer of The Willows School Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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.

M Shaw  
**Accounting Officer**

15 December 2023

# THE WILLOWS SCHOOL ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of The Willows School Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 15 December 2023 and signed on its behalf by:

B Grant  
**Chair**



# THE WILLOWS SCHOOL ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOWS SCHOOL ACADEMY TRUST

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

We have audited the accounts of The Willows School Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the accounts themselves. 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.

# THE WILLOWS SCHOOL ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOWS SCHOOL ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated 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 accounts 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.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

# THE WILLOWS SCHOOL ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WILLOWS SCHOOL ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Use of our report**

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Debra Saunders Bsc FCA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**  
**Chartered Accountants**  
**Statutory Auditor**

18 December 2023

Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

# THE WILLOWS SCHOOL ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WILLOWS SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In accordance with the terms of our engagement letter dated 16 May 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Willows School Academy Trust during the period 1 September 2022 to 31 August 2023 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 The Willows School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Willows School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Willows School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Willows School Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Willows School Academy Trust's funding agreement with the Secretary of State for Education dated 1 November 2011 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# THE WILLOWS SCHOOL ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WILLOWS SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2023*

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### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

### **Reporting Accountant**

Azets Audit Services  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
GU7 1LQ  
United Kingdom

Dated: 18 December 2023

# THE WILLOWS SCHOOL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 as restated £
<b>Income and endowments from:</b>						
Donations and capital grants	3	200	-	22,515	22,715	7,187
Charitable activities:						
- Funding for educational operations	4	-	1,677,819	-	1,677,819	1,695,468
Investments	5	36	-	-	36	53
<b>Total</b>		<u>236</u>	<u>1,677,819</u>	<u>22,515</u>	<u>1,700,570</u>	<u>1,702,708</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	-	1,890,362	55,260	1,945,622	1,862,619
<b>Total</b>	6	<u>-</u>	<u>1,890,362</u>	<u>55,260</u>	<u>1,945,622</u>	<u>1,862,619</u>
<b>Net income/(expenditure)</b>		236	(212,543)	(32,745)	(245,052)	(159,911)
Transfers between funds	14	-	(8,219)	8,219	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	15	-	68,000	-	68,000	920,000
<b>Net movement in funds</b>		236	(152,762)	(24,526)	(177,052)	760,089
<b>Reconciliation of funds</b>						
Total funds brought forward		311,420	(66,831)	1,626,550	1,871,139	1,111,050
Total funds carried forward		<u>311,656</u>	<u>(219,593)</u>	<u>1,602,024</u>	<u>1,694,087</u>	<u>1,871,139</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022 As restated	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	200	-	6,987	7,187
Charitable activities:					
- Funding for educational operations	4	-	1,695,468	-	1,695,468
Investments	5	53	-	-	53
<b>Total</b>		<u>253</u>	<u>1,695,468</u>	<u>6,987</u>	<u>1,702,708</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	253	1,794,552	67,814	1,862,619
<b>Total</b>	6	<u>253</u>	<u>1,794,552</u>	<u>67,814</u>	<u>1,862,619</u>
<b>Net expenditure</b>		-	(99,084)	(60,827)	(159,911)
Transfers between funds	14	-	(12,499)	12,499	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	15	-	920,000	-	920,000
<b>Net movement in funds</b>		-	808,417	(48,328)	760,089
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>311,420</u>	<u>(875,248)</u>	<u>1,674,878</u>	<u>1,111,050</u>
Total funds carried forward		<u>311,420</u>	<u>(66,831)</u>	<u>1,626,550</u>	<u>1,871,139</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,602,024		1,626,550
<b>Current assets</b>					
Debtors	12	213,091		382,788	
Cash at bank and in hand		290,971		321,800	
		<u>504,062</u>		<u>704,588</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(34,999)		(14,999)	
<b>Net current assets</b>			<u>469,063</u>		<u>689,589</u>
<b>Net assets excluding pension liability</b>			2,071,087		2,316,139
Defined benefit pension scheme liability	15		(377,000)		(445,000)
<b>Total net assets</b>			<u>1,694,087</u>		<u>1,871,139</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	14				
- Fixed asset funds			1,602,024		1,626,550
- Restricted income funds			157,407		378,169
- Pension reserve			(377,000)		(445,000)
<b>Total restricted funds</b>			<u>1,382,431</u>		<u>1,559,719</u>
<b>Unrestricted income funds</b>	14		<u>311,656</u>		<u>311,420</u>
<b>Total funds</b>			<u>1,694,087</u>		<u>1,871,139</u>

The accounts on pages 20 to 40 were approved by the Trustees and authorised for issue on 15 December 2023 and are signed on their behalf by:

B Grant  
Chair

Company registration number 07785550 (England and Wales)



# THE WILLOWS SCHOOL ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

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		2023		2022 as restated	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	17		(22,646)		(289,707)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		36		53	
Capital grants from DfE Group		22,515		6,987	
Purchase of tangible fixed assets		(30,734)		(12,499)	
<b>Net cash used in investing activities</b>			<u>(8,183)</u>		<u>(5,459)</u>
<b>Net decrease in cash and cash equivalents in the reporting period</b>			<u>(30,829)</u>		<u>(295,166)</u>
Cash and cash equivalents at beginning of the year			<u>321,800</u>		<u>616,966</u>
<b>Cash and cash equivalents at end of the year</b>			<u><u>290,971</u></u>		<u><u>321,800</u></u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 15, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 2 Accounting policies

The Willows School Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

#### 2.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### 2.2 Going concern

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

#### 2.3 Income

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

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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### 2 Accounting policies

(Continued)

#### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

#### Donations

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

### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Charitable activities

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

### 2.5 Tangible fixed assets and depreciation

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 that require 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.

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 2 Accounting policies

(Continued)

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

Land and buildings	2% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	25% 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.

#### 2.6 Liabilities

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

#### 2.7 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

#### 2.8 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 2.9 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 2 Accounting policies

(Continued)

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

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

#### 2.10 Fund accounting

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

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

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

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

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	22,515	22,515	6,987
Other donations	200	-	200	200
	<u>200</u>	<u>22,515</u>	<u>22,715</u>	<u>7,187</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds	Restricted funds	Total 2023	Total 2022 As restated
	£	£	£	£
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	600,000	600,000	599,460
Other DfE/ESFA grants:				
- Pupil premium	-	46,151	46,151	69,676
- PE and Sports Premium	-	16,630	16,630	16,590
- Recovery Funding	-	15,877	15,877	-
- Others	-	1,614	1,614	18,523
	-	680,272	680,272	704,249
<b>Other government grants</b>				
Local authority grants	-	997,547	997,547	991,219
<b>Total funding</b>	-	1,677,819	1,677,819	1,695,468

### 5 Investment income

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Short term deposits	36	-	36	53

### 6 Expenditure

	Staff costs	Non-pay expenditure		Total 2023	Total 2022
	£	Premises	Other	£	£
		£	£		
Academy's educational operations					
- Direct costs	1,237,319	-	226,670	1,463,989	1,425,652
- Allocated support costs	196,567	158,847	126,219	481,633	436,967
	1,433,886	158,847	352,889	1,945,622	1,862,619

#### Net income/(expenditure) for the year includes:

	2023	2022
	£	£
Depreciation of tangible fixed assets	55,260	60,827
Fees payable to auditor for:		
- Audit	12,250	7,000
- Other services	2,500	7,000
Net interest on defined benefit pension liability	19,000	52,000

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Charitable activities

	<b>2023</b>	<b>2022</b>
	£	£
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	1,463,989	1,425,652
<b>Support costs</b>		
Educational operations	481,633	436,967
	<u>1,945,622</u>	<u>1,862,619</u>

	<b>2023</b>	<b>2022</b>
	£	£
<b>Analysis of support costs</b>		
Support staff costs	196,567	145,504
Depreciation	55,260	60,827
Technology costs	21,438	34,778
Premises costs	103,587	103,734
Other support costs	85,856	66,394
Governance costs	18,925	25,730
	<u>481,633</u>	<u>436,967</u>

### 8 Staff

#### Staff costs

Staff costs during the year were:

	<b>2023</b>	<b>2022</b>
	£	£
Wages and salaries	1,152,867	566,989
Social security costs	53,809	47,292
Pension costs	119,500	173,982
	<u>1,326,176</u>	<u>788,263</u>
Staff costs - employees	1,326,176	788,263
Agency staff costs	107,710	581,877
	<u>1,433,886</u>	<u>1,370,140</u>
Staff development and other staff costs	18,283	19,073
	<u>1,452,169</u>	<u>1,389,213</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Staff (Continued)

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	3	5
Administration and support	14	14
Management	3	1
	<u>20</u>	<u>20</u>

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>2</u>	<u>2</u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £189,367 (2022: £178,565).

### 9 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

M Shaw (Headteacher and Accounting Officer):

- Remuneration: £80,000 - £85,000 (2022: £75,000 - £80,000)
- Employers' Pension Contributions: £15,000 - £20,000 (2022: £15,000 - £20,000)

P Gregory-Hunt (staff trustee):

- Remuneration: £60,000 - £65,000 (2022: £60,000 - £65,000)
- Employers' Pension Contributions: £nil (2022: £nil)

There were no trustees expenses paid in either 2023 or 2022.



# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2023 is included in the total insurance cost.

#### 11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	2,015,013	131,023	235,662	2,381,698
Additions	-	15,319	15,415	30,734
At 31 August 2023	<u>2,015,013</u>	<u>146,342</u>	<u>251,077</u>	<u>2,412,432</u>
<b>Depreciation</b>				
At 1 September 2022	403,000	130,756	221,392	755,148
Charge for the year	40,300	2,596	12,364	55,260
At 31 August 2023	<u>443,300</u>	<u>133,352</u>	<u>233,756</u>	<u>810,408</u>
<b>Net book value</b>				
At 31 August 2023	<u>1,571,713</u>	<u>12,990</u>	<u>17,321</u>	<u>1,602,024</u>
At 31 August 2022	<u>1,612,013</u>	<u>267</u>	<u>14,270</u>	<u>1,626,550</u>

#### 12 Debtors

	2023 £	2022 £
VAT recoverable	180,678	283,137
Prepayments and accrued income	32,413	99,651
	<u>213,091</u>	<u>382,788</u>

#### 13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	16,920	-
Accruals and deferred income	18,079	14,999
	<u>34,999</u>	<u>14,999</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	326,137	600,000	(917,918)	(8,219)	-
Pupil premium	-	46,151	(46,151)	-	-
Other DfE/ESFA grants	-	34,121	(34,121)	-	-
Other government grants	52,032	997,547	(892,172)	-	157,407
Pension reserve	(445,000)	-	-	68,000	(377,000)
	<u>(66,831)</u>	<u>1,677,819</u>	<u>(1,890,362)</u>	<u>59,781</u>	<u>(219,593)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	-	22,515	-	(22,515)	-
General fixed assets	1,626,550	-	(55,260)	30,734	1,602,024
	<u>1,626,550</u>	<u>22,515</u>	<u>(55,260)</u>	<u>8,219</u>	<u>1,602,024</u>
<b>Total restricted funds</b>	<u>1,559,719</u>	<u>1,700,334</u>	<u>(1,945,622)</u>	<u>68,000</u>	<u>1,382,431</u>
<b>Unrestricted funds</b>					
General funds	311,420	236	-	-	311,656
	<u>311,420</u>	<u>236</u>	<u>-</u>	<u>-</u>	<u>311,656</u>
<b>Total funds</b>	<u>1,871,139</u>	<u>1,700,570</u>	<u>(1,945,622)</u>	<u>68,000</u>	<u>1,694,087</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 14 Funds

(Continued)

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

**General Annual Grant:** This fund is for the purpose of running the Trust in accordance with the Funding Agreement with the Secretary of State and along guidelines as set out in the Academies Financial Handbook. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

**Other DfE / ESFA grants:** This fund has also arisen from funding received from the Department for Education and the Education and Skills Funding Agency for the furtherance of the Trust's activities that are not funded through their General Annual Grant.

**Other Government grants:** This fund has also arisen from funding received from the Local Authority mainly for Special Educational Needs.

**Other restricted funds and restricted donations:** This restricted fund has arisen from other income that the Trust has received where there are restrictions on how these monies can be spent.

**Pension reserve:** This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

**Other capital grants:** This fund refers to funding which has been received by the trust from third parties beyond the ESFA for the purpose of fixed asset additions.

**Other ESFA capital grants:** This fund has arisen again from funding received from the Department for Education and the Education and Skills Funding Agency specifically for facilities and other forms of capital.

**Devolved formula capital (DFC):** The trust is to use the DFC allocation to maintain and improve its buildings and facilities.

**Restricted asset funds:** These funds have arisen from the fixed assets inherited upon conversion and from the subsequent purchases of new assets for the use of the Trust.

**Unrestricted funds:** These have arisen from activities carried out by the Trust for raising funds and are unrelated to any form of Government assistance and therefore the Trust can choose to spend it however it chooses in line with its charitable objectives.

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Funds

(Continued)

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

	Balance at 1 September 2021	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2022 As restated
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	363,343	599,460	(624,167)	(12,499)	326,137
Pupil premium	-	69,676	(69,676)	-	-
Other DfE/ESFA grants	18,409	35,113	(53,522)	-	-
Other government grants	-	991,219	(939,187)	-	52,032
Pension reserve	(1,257,000)	-	(108,000)	920,000	(445,000)
	<u>(875,248)</u>	<u>1,695,468</u>	<u>(1,794,552)</u>	<u>907,501</u>	<u>(66,831)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	-	6,987	(6,987)	-	-
General fixed assets	1,674,878	-	(60,827)	12,499	1,626,550
	<u>1,674,878</u>	<u>6,987</u>	<u>(67,814)</u>	<u>12,499</u>	<u>1,626,550</u>
<b>Total restricted funds</b>	<u>799,630</u>	<u>1,702,455</u>	<u>(1,862,366)</u>	<u>920,000</u>	<u>1,559,719</u>
<b>Unrestricted funds</b>					
General funds	<u>311,420</u>	<u>253</u>	<u>(253)</u>	<u>-</u>	<u>311,420</u>
<b>Total funds</b>	<u>1,111,050</u>	<u>1,702,708</u>	<u>(1,862,619)</u>	<u>920,000</u>	<u>1,871,139</u>

### 15 Pension and similar obligations

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

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

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

#### Teachers' Pension Scheme

##### Introduction

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

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 15 Pension and similar obligations

(Continued)

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

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £50,974 (2022: £39,833).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 27.2% for employers and 5.5% to 12.5% 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	88,000	83,000
Employees' contributions	17,000	17,000
Total contributions	<u>105,000</u>	<u>100,000</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.5	3.35
Rate of increase for pensions in payment/inflation	3.0	3.05
Discount rate for scheme liabilities	5.2	4.25

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

	2023 Years	2022 Years
Retiring today		
- Males	19.5	22.1
- Females	21.4	24.5
Retiring in 20 years		
- Males	20.8	22.8
- Females	25.2	25.5

Scheme liabilities would have been affected by changes in assumptions as follows:

The Academy Trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	344,000	279,000
Other bonds	200,000	166,000
Cash and other liquid assets	34,000	30,000
Property	110,000	119,000
Total market value of assets	688,000	594,000

The actual return on scheme assets was £9,000 (2022: £(32,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	69,000	128,000
Interest income	(27,000)	(10,000)
Interest cost	46,000	62,000
Total operating charge	88,000	180,000

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

<b>15</b>	<b>Pension and similar obligations</b>	<b>(Continued)</b>		
	<b>Changes in the present value of defined benefit obligations</b>	<b>2023</b>		
		<b>£</b>		
	At 1 September 2022	1,039,000		
	Current service cost	69,000		
	Interest cost	46,000		
	Employee contributions	17,000		
	Actuarial gain	(86,000)		
	Benefits paid	(20,000)		
	At 31 August 2023	<u>1,065,000</u>		
	<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>	<b>2023</b>		
		<b>£</b>		
	At 1 September 2022	594,000		
	Interest income	27,000		
	Actuarial loss	(18,000)		
	Employer contributions	88,000		
	Employee contributions	17,000		
	Benefits paid	(20,000)		
	At 31 August 2023	<u>688,000</u>		
<b>16</b>	<b>Analysis of net assets between funds</b>			
	<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
	<b>Funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Fund balances at 31 August 2023 are represented by:</b>			
	Tangible fixed assets	-	1,602,024	1,602,024
	Current assets	346,655	-	504,062
	Current liabilities	(34,999)	-	(34,999)
	Pension scheme liability	-	-	(377,000)
	<b>Total net assets</b>	<u>311,656</u>	<u>1,602,024</u>	<u>1,694,087</u>

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Analysis of net assets between funds

(Continued)

	Unrestricted Funds	Restricted funds:		Total Funds
		General	Fixed asset	As restated
	£	£	£	£
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	1,626,550	1,626,550
Current assets	311,420	393,168	-	704,588
Current liabilities	-	(14,999)	-	(14,999)
Pension scheme liability	-	(445,000)	-	(445,000)
<b>Total net assets</b>	<u>311,420</u>	<u>(66,831)</u>	<u>1,626,550</u>	<u>1,871,139</u>

### 17 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(245,052)	(159,911)
Adjusted for:			
Capital grants from DfE and other capital income		(22,515)	(6,987)
Investment income receivable	5	(36)	(53)
Defined benefit pension costs less contributions payable	15	(19,000)	56,000
Defined benefit pension scheme finance cost	15	19,000	52,000
Depreciation of tangible fixed assets		55,260	60,827
Decrease/(increase) in debtors		169,697	(248,338)
Increase/(decrease) in creditors		20,000	(43,245)
<b>Net cash used in operating activities</b>		<u>(22,646)</u>	<u>(289,707)</u>

### 18 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	<u>321,800</u>	<u>(30,829)</u>	<u>290,971</u>



# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 19 Long-term commitments

#### Operating leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£	£
Amounts due within one year	1,355	1,626
Amounts due in two and five years	679	2,441
	<u>2,034</u>	<u>4,067</u>

### 20 Related party transactions

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

The following related party transactions took place in the financial period:

- the Academy Trust paid £500 (2022: £4,500) for dance classes provided by a close family member of the trustee P Gregory-Hunt.
- the Academy Trust also paid £6,635 (2022: £nil) for building maintenance works completed by the spouse of trustee S Hales-Owen.
- the Academy Trust paid £2,963 (2022: £nil) for electrical works completed by the spouse of a member of the senior leadership team, D Downie.

There were no additional related party transactions which took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 9.

### 21 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

# THE WILLOWS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Prior period adjustment

		1 September 2021 £	31 August 2022 £
<b>Reconciliation of funds</b>	<b>Notes</b>		
Funds as previously reported		1,111,050	1,819,107
Adjustments arising:			
Local authority income	1	-	52,032
Funds as restated		<u>1,111,050</u>	<u>1,871,139</u>
<b>Reconciliation of net income/(expenditure) for the previous financial period</b>	<b>Notes</b>		<b>2022 £</b>
Net expenditure as previously reported			(211,943)
Adjustments arising:			
Local authority income	1		52,032
Net expenditure as restated			<u>(159,911)</u>

### Notes to restatement

#### Local Authority income

During the year, it was identified that income received from a Local Authority for EHCPs totalling £52,032 related to the prior financial period but had not been accrued. This has been corrected in the financial statements and has increased brought forwards funds by £52,032 and reduced the deficit in that financial year by £52,032.