

**Company Registration No. 09093035 (England and Wales)**

**WILLOWS ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

# WILLOWS ACADEMY TRUST

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# WILLOWS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

S Dennis  
G Blair  
Y Dean  
J Yates  
E Martin

### Trustees

S Dennis (Chair)  
J Haigh (Accounting Officer)  
J Prince (Vice Chair)  
A Page  
G Arnett (Resigned 31 August 2020)  
K Moran  
A Taylor

### Senior management team

- Chief Executive Officer	J Haigh
- Chief Financial Officer	J Richardson
- Principal (Dovedale Primary School)	S Houseman
- Principal (Sawley Infant School)	M Harral
- Principal (Sawley Junior School)	A Burton
- Principal (Shardlow Primary School)	K Magner

### Company registration number

09093035 (England and Wales)

### Registered office

Wilmot Street  
Long Eaton  
Nottinghamshire  
NG10 3DQ

### Independent auditor

UHY Hacker Young  
14 Park Row  
Nottingham  
NG1 6GR

### Bankers

Lloyds Bank  
Old Market Square  
Nottingham  
NG1 6FD

**WILLOWS ACADEMY TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Solicitors**

Flint Bishop LLP  
St Michaels Court  
St Michaels Lane  
Derby  
DE1 3HQ

# WILLOWS ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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The Trustees present their annual report together with the accounts and auditor's report of the Academy Trust for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Academy Trust operates primary academies in Derbyshire. Its academies have a combined pupil capacity of 1154 plus 99 full-time equivalent nursery places and had a roll of 1104 in the school census in April 2020.

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

##### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity, and its memorandum and articles of association are the primary governing documents of the Trust.

The Trustees of Willows Academy Trust are also the Directors of the Academy Trust for the purposes of company law. The Academy Trust is known as Willows Academy Trust.. The terms "Trustee" and "Director" are interchangeable throughout this report.

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

##### Members' liability

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

##### Trustees' indemnities

The Academy Trust maintains Trustees' liability insurance which gives appropriate cover for any legal action brought against its Trustees. The Academy Trust has also granted indemnities to each of its Trustees to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as Trustees' of the Academy Trust.

Details of the insurance cover are provided in note 12 to the financial statements.

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

Under the terms of its Articles, the Academy Trust shall have the following Trustees:

- 6 Community Trustees
- 1 Trust employee Trustee

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

Trustees are recruited from local businesses and stakeholders associated with the academies. Skills required are identified following a skills audit and any areas of need identified are targeted. The Trusts website, community newsletters and direct approach to businesses is used to recruit new Trustees. An interview process is conducted to ascertain suitability and to identify the candidate skills set.

# WILLOWS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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

During the year under review the Board of Trustees met six times either face to face or via Microsoft Teams. The training and induction provided for new Trustees depends on their previous experience. All new Trustees are offered a tour of the schools and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. All Trustees have secure access to the Trust portal whereby all documentation can be accessed.

#### Organisational structure

The organisational structure consists of three levels: the Members and Trustees of the Academy which includes the Chief Executive Officer who acts as the Accounting Officer for the Trust, the Academy Governing Body and Senior Leadership Team at each school. The aim of the management structure is to devolve responsibility via the Trusts scheme of delegation and encourage involvement in decision making at individual Academy level.

The Trustees are responsible for the general control and management of the administration of the Trust. In accordance with the memorandum and articles of association and its funding agreement, the board of Trustees take responsibility for all statutory functions for the performance of all the schools within the Trust, and approves the written scheme of delegation of financial powers that maintains the robust internal control arrangements. In addition it carries out the three core governance functions.

1. Ensure clarity of vision, ethos and strategic direction
2. Hold the Chief Executive Officer to account for the educational performance of the Trust's schools and their pupils and the performance management of staff.
3. Oversee the financial performance of the Trust and make sure its money is well spent

The Governors at each school are responsible for setting general policy, adopting an annual plan and budget. Trustees are responsible for ratifying the decisions made by the Academy Governing body regarding general policy, adoption of annual budget plans. Trustees monitor the Academy use of budgets and make major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team is determined at local level. These managers control each Academy at an executive level implementing the policies laid down by the Trustees and Governors and reporting back to them. As a group each Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for teaching posts always contain a Governor. Some spending control is devolved to members of the Middle Management Team, with limits above which a member of the Senior Leadership Team must countersign.

The Middle Management Team includes Curriculum Area Leaders. Along with the Senior Management Team these managers are responsible for the day to day operation of the Academies, in particular organising the support staff, facilities and pupils.

## **WILLOWS ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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

The key management personnel of the Academy Trust comprise the Trustees and Members as disclosed on page 1.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of Trustees, after taking advice from the headteachers and following guidance from the relevant professional pay review bodies. Naturally the headteachers were not involved in setting their own remuneration package.

Only the staff Trustee who is the chief executive officer, is remunerated, and they only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as Trustee. Specific disclosures concerning staff Trustee's remuneration is included in note 11.

The day to day running of the remuneration policy is delegated to the headteachers and monitored by the Academy governing body or the finance and resources committee (in schools where they have retained the committee) and discussed and reviewed by the board of Trustees. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of Trustees.

Remuneration of key management personnel is set at an individual level, and where possible the Trustees have taken external professional advice. Senior management salaries are linked to pay spines, helping Trustees conclude that each individual remuneration is at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board always bear in mind the charitable status of the Academy Trust and recognise the fact the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the Trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money. Benchmarking is conducted annually using Kreston and UHY benchmarking reports.

Total remuneration paid to senior management personnel is set out in note 9.

##### Trade union facility time

Willows Academy Trust does not employ any trade union officials and consequently no funding is provided for trade union facility time.

## **WILLOWS ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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##### Engagement with employees

Although the Trust has less than 250 employees Willows Academy Trust engages with employees via the annual staff survey to ascertain opinions and to identify any issues pertinent to employees. The survey is analysed and shared with Trustees and action taken if required.

The Chief Executive Officer produces a termly newsletter to keep employees informed of any developments within the Trust and to share employee and school successes.

Employees are encouraged to contribute to the Trusts performance through the half termly network meetings and forums.

Willows Academy Trust provides an employee assistance programme for employees to access a variety of services confidentially if required.

The Trusts Equality and Diversity Policy ensures that all employees are treated fairly and equitably from recruitment to career development and promotion.

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

The Trust does not meet the criteria for a large Trust but Willows Academy Trust considers their relationship with suppliers vital in obtaining the best value for money for their schools. The Chief Financial Officer reviews all contracts at their point of renewal to negotiate a favourable deal and has succeeded in making savings in a number of areas.

Ongoing communication with suppliers such as; ESPO, Saaf, Lloyds has ensured a strong working professional relationship.

The Trust works closely with parents and carers providing an annual survey to ascertain opinions and to identify any emerging issues.

The Trust produces a termly newsletter for parents to keep them informed of developments at Trust and school level. Consultation takes place if there are any major changes to the Trust structure.

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

Individual Academies work closely with Derbyshire Safeguarding Children's Board, Erewash Sports Partnership, Nottingham Trent University, Derby University, and the local cluster of schools. Trust leaders work closely with other Multi-Academy Trusts to access training, expertise and to share resources. The Chief Executive Officer is contracted as an OFSTED inspector. Each Academy has a charitable group at local level focussed on fundraising and charitable events for the individual Academy.



# WILLOWS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### **Objectives and activities**

##### Objects and aims

The Academy Trust's object ("the Object") is specifically restricted to the following:

*To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them.*

##### Objectives, strategies and activities

Willow Academy Trusts' pupils are central to all our endeavours. We will judge everything that takes place in our schools according to its impact on the pupils. We embrace the Academy Trust's key areas of:

#### **Aspire**

- To aspire to the highest quality education in an inspirational, learning environment.
- To raise pupils' aspirations and enable all individuals in our Trust community to achieve their potential and 'dream big'.
- To inspire children to develop a love of learning and grasp new experiences. Look back with pride and forward with confidence.

#### **Achieve**

- To continually strive to raise the achievement and attainment of all children in the Trust and local community.
- To provide innovative opportunities for staff performance and progression to develop their potential and nurture leaders of the future.
- To support all children to develop character, resilience, life skills, social skills, problem-solving and conflict resolution.

#### **Thrive**

- To develop a culture which actively promotes all aspects of pupils' welfare.
- To develop an excellent understanding of how to keep themselves safe in a range of situations and circumstances.
- To enable pupils to mature into confident, motivated learners who actively contribute to the wider community and develop a wider understanding of the world through direct personal experiences.

These are integral to the work with all pupils in achieving a successful Multi Academy Trust. Regular monitoring of the finance systems and the quality of teaching and learning takes place throughout the year. This ensures that provision at all levels is of the highest quality.

Decisions will be made in accordance with the prime directive that Willows Academy Trust is a place of learning for the whole school community.

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

## **WILLOWS ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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##### Public benefit

The Trustees confirm that they have complied with the Charities Act 2006 to have due regard to the Charities Commission's general guidance on public benefit and in particular to its supplementary public benefit on advancing education. The aims and objectives have been reviewed to inform future planning. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Willows Academy Trust is a Multi Academy Trust catering for children aged 3 to 11 and strives to promote and support the advancement of education within a local context. The schools provide an extensive programme of educational and recreational activity - all designed to contribute to the overall education of the pupils in areas such as academic distinction, music, the arts and sport. For example some of the Academies adopt a specialist teacher model in PE and Music; work in conjunction with external organisations (e.g. sporting clubs) to enhance the curriculum experiences for the children; provides excellent links with local secondary schools to help transition of pupils and provide curricular/staff CPD support; and also work within the local community to ensure that it is central to community cohesion. All these activities continued during the autumn and spring terms but due to the coronavirus pandemic were suspended during the summer term.

Wherever possible the individual Academies also aim to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example: Local Beaver, Scout and football groups to support children. Although this has been impacted upon by the Covid-19 pandemic.

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

# WILLOWS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Strategic report

##### Achievements and performance

During the autumn and the first half of the spring term schools continued to operate successfully meeting the standards and performance objectives set by the Trust.

From early March attendance was impacted upon by the ongoing coronavirus reporting. Following the government lockdown schools within the trust only had key worker children in school from the 24th March 2020. Home schooling was provided for those pupils remaining at home during this period and included;

- Home Learning Packs produced each week and pupils uploaded their work for the teachers to mark and give feedback
- A weekly Zoom Spirit Assembly (our weekly celebration assembly)
- A weekly Zoom session with the class teacher for each year group.
- On-going community events on Class Dojo
- A new timetable each week
- Daily Maths and English lessons
- Daily foundation lessons
- PowerPoints for pupils to access for direct teaching.
- Schools 'loaned' iPads to families
- Regular contact made with pupils and parents via Zoom and telephone calls
- Leadership teams were communicating informally and sending work ideas/support activities to SEND pupils with an EHC (Education Health Care Plan) and some other pupils who were struggling to access age-appropriate activities at home.

Parental surveys conducted at school level ascertained that parents and carers were happy with the provision and the level of communication provided by the schools in the Trust.

Due to the Coronavirus pandemic there is no end of year data available for 2019/20 academic year due to the cancellation of primary tests.

Internal data was collected up to the end of the spring term based on assessment tests and teacher assessments.

WILLOWS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Key performance indicators

End of Autumn 2019 WAT Data:

	EYFS	Phonics	KS1			KS2		
			Reading	Writing	Maths	Reading	Writing	Maths
			EXP/GD	EXP/GD	EXP/GD	EXP/GD	EXP/GD	EXP/GD
DPS	55	60	69 41	64 0	68 42	60 5	65 28	62 7
Dis	50	55	60 10	20 0	50 20	44 9	55 18	45 0
SINS	10	57	67 45	62 9	64 37			
Dis	0	21	47 27	53 0	40 20			
SJS						71 23	36 4	63 2
Dis						55 21	31 7	59 0
SHPs	12	9	50 17	50 8	67 8	79 14	79 7	74 14
Dis	0	1	50 0	50 0	75 0	100 50	100 0	100 0
WAT Overall	26	42	62 34	59 6	66 29	70 14	60 13	66 8
Dis	17	26	52 12	41 0	55 13	66 27	62 18	68 0

End of Spring Teacher Assessment Data

	EYFS	Phonics	KS1			KS2		
			Reading	Writing	Maths	Reading	Writing	Maths
			EXP/GD	EXP/GD	EXP/GD	EXP/GD	EXP/GD	EXP/GD
DPS	65	70	76 43	76 9	67 34	68 33	75 40	88 43
Dis	55	60	50 20	50 0	40 20	55 36	55 27	64 27
SINS	18	62	72 41	70 10	72 40			
Dis	0	30	53 14	60 0	53 20			
SJS						79 23	78 27	75 11
Dis						72 24	69 21	69 7
SHPs	40	25	42 8	58 25	25 0	71 36	64 14	86 14
Dis	0	10	50 0	50 25	25 0	100 100	100 50	100 0
WAT Overall	41	52	71 39	71 11	67 35	74 28	70 30	81 24
Dis	18	33	52 14	55 3	45 17	69 31	62 21	69 12

## WILLOWS ACADEMY TRUST

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2020

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##### Key financial performance indicators

The Trustees and Academy Governing Bodies consider that the following are key performance indicators for the Academy Trust:

- Pupils numbers (leading directly to the Education and Skills Funding Agency ("ESFA") funding level);
- Pupils attendance data (Impacted by coronavirus although schools continued to comply with the DFE requirements to report attendance of key worker and vulnerable pupils);
- General financial stability - aim for income to match expenditure each year;
- Percentage of income received from the ESFA spent on total staff costs;
- Income spent per pupil
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure per pupil;
- Foundation pupil intake
- Financial benchmarking
- Financial impact of Covid-19 on self-generated income

Despite the impact of the coronavirus on the ability of schools to operate normally for all pupils. The Trustees and Academy Governing Bodies have been pleased that expectations of the key performance indicators listed have been managed successfully during this period.

##### Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The coronavirus pandemic impacted upon the self-generated income activities such as; the WRAP around club and swimming lettings have been adversely affected with the schools not being fully opened, for 19/20 the income has been lost, however we were able to distribute staff to assist the school in other functions and we were able to open to a reduced capacity and in the case of Dovedale the holiday club operated over the summer holiday period to ensure a slight offset in the loss of income

The day to day funded element of the Trust is still in line with the original budgets set, this will constantly be reviewed to ensure we have the most up to date information to make informed decisions that will impact the future of the Trust.

As a Trust we are still happy that the reserve policy we have in place ensures the Trust remains a going concern, the loss of income is expected to be clawed back over the next 3-5 years. 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.

## WILLOWS ACADEMY TRUST

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2020

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##### **Financial review**

Most of the Academy Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2020, incoming resources totalled £5,495,758 (2019: £5,216,504) and total expenditure was £6,046,065 (2019: £5,689,834), creating a deficit of £550,307 (2019: deficit of £473,330). When the fixed asset net deficit of £189,312 (2019: net deficit of £146,662) and movements on the local government pension scheme of £351,000 (2019: £217,000) are excluded there was a deficit of £9,995 (2019: £109,668 deficit)).

The combined balance on restricted income funds and unrestricted income funds as at 31 August 2020 was £478,319, compared to £514,564 as at 31 August 2019. The movement of £36,245 (2019: £242,541) consists of the in-year deficit of £9,995 (2019: £109,668) and the transfer to restricted fixed asset fund of £26,250 (2019: £132,873).

At 31 August 2020, the net book value of fixed assets was £7,479,804 (2019: £7,642,866) and movements in tangible fixed assets are shown in note 13 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

##### Reserves policy

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

The Trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

As at 31 August 2020 the Trust has 'free' reserves i.e. those reserves that are freely available for general purposes of the Trust total £478,319 (2019: £514,564). The restricted fixed asset fund totals £7,479,804 (2019: £7,642,866) which can only be realised by disposing of tangible fixed assets. The restricted reserve deficit of £2,126,000 (2019: £2,297,000) relates to the Local Government Pension Fund which is due to be repaid in line with the agreed terms of the Fund.

The Trustees have determined that the appropriate level of free reserves should be equivalent to one month's staffing expenditure cost, approximately £362,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The reserve policy in place is effective and has ensured that the Trust is still financially viable. With the loss of self-generated income due to the impact of coronavirus the reserves position will be lower than originally budgeted, however they will still be in-line with the Trust Reserve policy. The Trustees will monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the Trust will strive to rebuild free reserves up to the level needed.

## WILLOWS ACADEMY TRUST

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2020

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##### Investment policy

The Academy Trust does not hold any investments.

##### Principal risks and uncertainties

The main risks that the Academy Trust is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

**Operational and reputational** - this covers risks to the running of the Academy Trust (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum. The school buildings are used to generate income via the before and after school clubs, the use of the swimming pool to provide swimming lessons to the general public. The income from these has been adversely effected by the coronavirus. The business continuity plan in place ensured that the business side of the Trust remained similar to when we were fully open, the financial controls remained in place and although meetings were virtual all minutes and approvals took place.

**Financial** - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management. Risk registers included the impact of Covid and Brexit on the trusts financial position. Income streams from the before and after school clubs and swimming clubs were suspended due to Covid-19 from March to June. Due to Covid-19 there has been increased expenditure incurred due to additional cleaning to provide a safe environment for pupils and staff. The letting of the community centre in Shardlow to provide a safe teaching space for keyworker children also increased expenditure.

The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, pupil numbers, competition, changes to rules and regulations, financial position of the staff pension schemes and the financial impact of the coronavirus on self-generated income. The day to day funded element of the Trust is still in line with the original budgets set, this will continue to be reviewed to ensure we have the most up to date information to make informed decisions that will impact the future of the Trust.

##### Equal opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

##### Disabled employees

The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment, by making support resources available.

## **WILLOWS ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Fundraising**

Individual schools participate in fundraising events primarily organised by each Parent Teacher Association. During the spring and summer terms due to the ongoing coronavirus pandemic the PTA's at each school were not able to fundraise from activities such as; movie nights, discos, summer fairs and although these events normally generate a substantial amount of additional income for schools the Trust never budgets for this income and is treated as 'Bonus Income', therefore budgets were not impacted.

Funding raised by Non-Government Grant Applications were unsuccessful due to the private sector removing funding during the pandemic but again this is not budgeted for.

Headteachers and governing bodies report on fundraising activities during the autumn term to the Board of Trustees. Trustees delegate fundraising to individual school governing bodies and ensure they adhere to the 6 principles of fundraising;

1. Plan effectively
2. Supervise fundraisers
3. Protect the trusts reputation and assets
4. Identify and comply with the laws on fundraising
5. Identify and recognise fundraising standards
6. Be open and accountable

Ensuring the Trust meets its legal obligations. All fundraising activities are monitored by the Trustees.

#### **Plans for future periods**

The aims and key objectives set for future periods are;

- Review of the Trust Development Plan to ensure it meets the needs of pupils, staff, governors and Trustees
- Review the Trusts Growth Strategy for expansion in-line with the central government policy on academy conversion, mergers and the opening of free schools. This is likely to be impacted by the implications of the coronavirus and delay any plans for expansion due to the local authorities delaying making decisions on new school proposals and schools delaying decisions on conversion.
- Review of the key performance indicators to ensure schools remain financially viable and resources impact directly on pupil outcomes
- Continue developing a CPD programme to include mentoring and training for NQTs/RQTs and the growth of middle and senior leaders ensuring the Trust retains experienced and exemplary staff
- Shared staff, governors and Trustees training on the new Ofsted framework
- Bulk purchasing
- Review of service level agreements held by individual Academies
- Expansion of facilities to accommodate increasing pupil numbers
- The use of the Trust's assets i.e. school buildings to generate income via the further development of before and after school childcare provision and the local community use of the swimming pool
- Implementation of a learning platform to support home learning in the event of any future lockdowns
- Maintain a high level of learning during the ongoing coronavirus pandemic ensuring all pupils are provided with home learning if self-isolating minimising any interruption in learning
- Ensure the mental and physical well-being of staff and pupils remain a key focus

#### **Funds held as custodian trustee on behalf of others**

The Academy Trust does not currently hold any funds on behalf of others.

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## **WILLOWS ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **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.

A resolution proposing that UHY Hacker Young be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2020 and signed on its behalf by:

S Dennis  
**Chair**

J Haigh  
**Accounting Officer**

# WILLOWS ACADEMY TRUST

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Scope of responsibility

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

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

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
S Dennis (Chair)	6	6
J Haigh (Accounting Officer)	5	6
J Prince (Vice Chair)	3	6
A Page	5	6
G Arnett (Resigned 31 August 2020)	6	6
K Moran	3	6
A Taylor	5	6

## **WILLOWS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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A skills audit was conducted at the beginning of the academic year and the composition of the key skills of the board clearly identified. The audit identified where there were gaps and as a consequence a new Trustee was recruited with these skills in mind following the resignation of a Trustee.

The Chair of the Board has completed training via the National Governance Association on effective leadership of trust boards and the clerk to the Board of Trustees has achieved the DfE accredited Level 3 Certificate in the clerking of School and Academy Governing Boards with the National Governance Association.

The Trustees have reviewed the Trust's key operating documentation and amended where appropriate to ensure the smooth running of the Trust.

The Trust's vision and aims have been updated along with key policies operational at Trust and Academy level.

Performance data for each Academy has been shared with Trustees termly along with external and internal moderation information. This has ensured the Trustees are fully informed about the standards and achievement at each of the Academies.

Monthly financial accounts have been shared with Trustees, ensuring they are fully informed about the financial position of each Academy and the Trust as a whole.

#### **Governance review**

All Trustees completed a skills and competency audit to ascertain areas of expertise. Careful consideration was given at the election and appointment stage to the skills required by the Trustees. Self-evaluation is scheduled into the first meeting of the board of Trustees each year.

Skills and competency audits have also been completed by each Academy Board of Governors and action plans created for training purposes. Governors received training on analysing data and monitoring the Sports Premium provision and finance.

360 reviews of the Chairs of Governors are completed by with their Governing Bodies and shared with the Board of Trustees.

## WILLOWS ACADEMY TRUST

### GOVERNANCE STATEMENT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2020

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##### **The Finance and General Purposes Committee**

The Finance and General Purpose Committee was setup in the spring term and included a qualified accountant.

**The Finance and General Purpose Committee:** is a sub-committee of the main Board of Trustees. Its purpose is;

- Keep under review the strategic management of the Trust's finances, including the long-term deployment of resources
- Ensure that the Trust operates within the financial guidelines of the Education and Skills Funding Agency
- In consultation with the Chief Executive Officer (CEO) and the Chief Finance Officer(CFO), to draft the formal budget plan for the financial year, before approval by the Board of Trustees
- Consider a budget position statement, including virement decisions at least termly and report significant anomalies from the anticipated position to the Board of Trustees
- Receive headline financial information and monthly monitoring reports from the Chief Finance Officer at each meeting to ensure that it is able to effectively monitor the annual expenditure against the agreed budget
- Review decisions in respect of service level agreements or in-house provision and to monitor the effectiveness of these services
- Draft the annual accounts for the Trustees, to be sent to the Secretary of State, Companies Registry and Charities Commission
- Review the staffing structure of the Trust based on plans presented by the CEO and/or CFO and funds available for the Trust, and make recommendations to the Board of Trustees
- Ensure that a consistent approach to headteacher and staff performance management is adopted across the Trust
- Consider and recommend a pay policy for the Trust to be agreed by the Board of Trustees and ensure that a consistent approach to pay review is in place across the Trust
- Ensure that the Trust adopts an appropriate range of personnel procedures e.g. disciplinary, grievance, capability and remuneration

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
S Dennis (Chair)	4	4
J Haigh (Accounting Officer)	3	4
J Prince (Vice Chair)	3	4
A Page	4	4
G Arnett (Resigned 31 August 2020)	4	4
K Moran	2	4
A Taylor	3	4

## **WILLOWS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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

- Using expertise in-house to provide bespoke training for newly and recently qualified teachers rather than outsourcing
- Purchasing shared human resources services across the MAT.
- Purchasing shared legal services
- Purchasing shared health and safety
- Purchasing shared IT services
- MAT contracts in place for purchasing of Education Resources providing a reduction in cost
- MAT contracts for facilities management i.e. PAT testing
- Benchmarking carried out across the MAT including external academy data to identify possible savings
- MAT online safeguarding training
- MAT subject network groups to disseminate good practise
- MAT professional network groups (subject leaders, deputy heads and headteachers, administration and teaching assistants)
- The development of MAT specialist leaders in education to support school improvement
- Robust Finance Policy with clear purchasing guidelines to ensure procedures are followed correctly.
- All contracts are assessed before renewal to ensure value for money.
- The CEO conducts reviews of school data and school performance rather than outsourcing
- Headteacher performance management conducted by the CEO rather than outsourcing
- CEO and HR director conduct headteacher recruitment rather than outsourcing to a consultancy
- Trust wide safeguarding reviews conducted by a Trust executive lead
- MAT training via Trust INSET days
- Data protection audits conducted in-house and reports sent to Trustees.
- Safeguarding audits conducted in-house by the Trusts safeguarding professional

##### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Willows Academy for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

## **WILLOWS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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##### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 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 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 Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Schools and Academies Finance Limited as internal auditor.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account / bank reconciliations

On a quarterly basis, the Chief Financial Officer, on behalf of 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.

##### **Review of effectiveness**

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

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

**WILLOWS ACADEMY TRUST**

**GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Accounting Officer has been advised of the implications of the result of the internal and external audits following the review of the systems of the financial controls. They ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 13 December 2020 and signed on its behalf by:

S Dennis  
Chair

J Haigh  
Accounting Officer

## **WILLOWS ACADEMY TRUST**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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As Accounting Officer of Willows 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 received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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 Academies Financial Handbook 2019.

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.

J Haigh  
**Accounting Officer**

15 December 2020



## **WILLOWS ACADEMY TRUST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees (who are also the Directors of Willows 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 2019 to 2020 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 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 2020 and signed on its behalf by:

S Dennis  
**Chair**

J Haigh  
**Accounting Officer**

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Opinion**

We have audited the accounts of Willows Academy Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2019 to 2020 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 2020 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 2019 to 2020.

### **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**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Other information**

The Trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. 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.

In connection with our audit of the accounts, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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.

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**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 for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the 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.

**Elizabeth Searby (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

15 December 2020

**Chartered Accountants  
Statutory Auditor**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO WILLOWS ACADEMY TRUST AND THE EDUCATION AND SKILLS  
FUNDING AGENCY  
FOR THE YEAR ENDED 31 AUGUST 2020**

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In accordance with the terms of our engagement letter dated 1 July 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Willows Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Willows 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 Willows 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 Willows Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Willows Academy Trust's funding agreement with the Secretary of State for Education dated 30 October 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review and enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

**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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Reporting Accountant**

UHY Hacker Young  
14 Park Row  
Nottingham  
NG1 6GR

Dated: 15 December 2020

**WILLOWS ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	18,322	-	29,093	47,415	97,162
Charitable activities:						
- Funding for educational operations	4	-	5,205,438	-	5,205,438	4,808,113
Other trading activities	5	136,750	105,827	-	242,577	310,762
Investments	6	328	-	-	328	467
<b>Total</b>		<u>155,400</u>	<u>5,311,265</u>	<u>29,093</u>	<u>5,495,758</u>	<u>5,216,504</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	98,987	5,728,673	218,405	6,046,065	5,689,834
<b>Total</b>	7	<u>98,987</u>	<u>5,728,673</u>	<u>218,405</u>	<u>6,046,065</u>	<u>5,689,834</u>
<b>Net income/(expenditure)</b>		56,413	(417,408)	(189,312)	(550,307)	(473,330)
Transfers between funds	18	(92,658)	66,408	26,250	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	522,000	-	522,000	(1,005,000)
<b>Net movement in funds</b>		<u>(36,245)</u>	<u>171,000</u>	<u>(163,062)</u>	<u>(28,307)</u>	<u>(1,478,330)</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>514,564</u>	<u>(2,297,000)</u>	<u>7,642,866</u>	<u>5,860,430</u>	<u>7,338,760</u>
Total funds carried forward		<u>478,319</u>	<u>(2,126,000)</u>	<u>7,479,804</u>	<u>5,832,123</u>	<u>5,860,430</u>

**WILLOWS ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2020**

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2019</b>		<b>Funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2019</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>					
Donations and capital grants	<b>3</b>	20,573	-	76,589	97,162
Charitable activities:					
- Funding for educational operations	<b>4</b>	-	4,808,113	-	4,808,113
Other trading activities	<b>5</b>	165,081	145,681	-	310,762
Investments	<b>6</b>	467	-	-	467
<b>Total</b>		186,121	4,953,794	76,589	5,216,504
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	<b>8</b>	32,018	5,434,565	223,251	5,689,834
<b>Total</b>	<b>7</b>	32,018	5,434,565	223,251	5,689,834
<b>Net income/(expenditure)</b>		154,103	(480,771)	(146,662)	(473,330)
Transfers between funds	<b>18</b>	(363,032)	230,159	132,873	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	<b>20</b>	-	(1,005,000)	-	(1,005,000)
<b>Net movement in funds</b>		(208,929)	(1,255,612)	(13,789)	(1,478,330)
<b>Reconciliation of funds</b>					
Total funds brought forward		723,493	(1,041,388)	7,656,655	7,338,760
Total funds carried forward		514,564	(2,297,000)	7,642,866	5,860,430



# WILLOWS ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		7,479,804		7,642,866
<b>Current assets</b>					
Stocks	14	10,720		16,463	
Debtors	15	205,342		220,906	
Cash at bank and in hand		653,251		565,104	
			<u>869,313</u>		<u>802,473</u>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(390,994)		(287,909)	
			<u>478,319</u>		<u>514,564</u>
<b>Net current assets</b>					
			<u>478,319</u>		<u>514,564</u>
<b>Net assets excluding pension liability</b>			7,958,123		8,157,430
Defined benefit pension scheme liability	20	(2,126,000)		(2,297,000)	
			<u>5,832,123</u>		<u>5,860,430</u>
<b>Total net assets</b>			<u>5,832,123</u>		<u>5,860,430</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			7,479,804		7,642,866
- Pension reserve			(2,126,000)		(2,297,000)
			<u>5,353,804</u>		<u>5,345,866</u>
<b>Total restricted funds</b>			<u>5,353,804</u>		<u>5,345,866</u>
<b>Unrestricted income funds</b>	18		478,319		514,564
			<u>478,319</u>		<u>514,564</u>
<b>Total funds</b>			<u>5,832,123</u>		<u>5,860,430</u>

The accounts on pages 29 to 57 were approved by the Trustees and authorised for issue on 15 December 2020 and are signed on their behalf by:

S Dennis  
Chair

J Haigh  
Accounting Officer

Company Number 09093035

**WILLOWS ACADEMY TRUST**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	21		114,069		(223,551)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		328		467	
Capital grants from DfE Group		29,093		76,589	
Purchase of tangible fixed assets		(55,343)		(209,462)	
<b>Net cash used in investing activities</b>			(25,922)		(132,406)
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>			88,147		(355,957)
Cash and cash equivalents at beginning of the year			565,104		921,061
<b>Cash and cash equivalents at end of the year</b>			653,251		565,104

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# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

The Willows Academy Trust is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Sawley Junior School, Wilmot Street, Long Eaton, Derbyshire, NG10 3DQ.

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

##### 1.1 Basis of preparation

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 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.

##### 1.3 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.

##### 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.

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

(Continued)

##### Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

#### 1.4 Expenditure

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

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

All resources expended are exclusive of recoverable VAT.

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

(Continued)

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £5,000 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Long leasehold land and buildings	50 years
Computer equipment	2-3 years
Fixtures, fittings & equipment	3-5 years

Where there are specific conditions attached to the funding requiring the continued use of the asset, assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

#### 1.6 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.

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

(Continued)

##### 1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

##### 1.8 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.

##### 1.9 Stock

Unsold uniform and unused educational supplies are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provisions are made for obsolete and slow moving stock where appropriate.

##### 1.10 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.

##### 1.11 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.

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income 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.

#### 1.12 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 the Education and Skills Funding Agency/Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

#### 2 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.

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### 3 Donations and capital grants

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Capital grants	-	29,093	29,093	76,589
Other donations	18,322	-	18,322	20,573
	<u>18,322</u>	<u>29,093</u>	<u>47,415</u>	<u>97,162</u>

Donations and capital grants in year ended 31 August 2020 totalled £47,415 (2019: £97,162) of which £18,322 related to unrestricted funds (2019: £20,573) and £29,093 related to restricted fixed assets (2019: £76,589).



# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	4,021,101	4,021,101	3,846,943
Other DfE group grants	-	775,217	775,217	600,749
	-	4,796,318	4,796,318	4,447,692
<b>Other government grants</b>				
Local authority grants	-	392,599	392,599	357,261
Special educational projects	-	1,630	1,630	3,160
	-	394,229	394,229	360,421
<b>Exceptional government funding</b>				
Coronavirus exceptional support	-	14,891	14,891	-
<b>Total funding</b>	-	5,205,438	5,205,438	4,808,113

Funding for the Academy Trust's education operations in year ended 31 August 2020 totalled £5,205,438 (2019: £4,808,113) of which £Nil (2019: £Nil) was unrestricted and £5,205,438 (2019: £4,808,113) was restricted.

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

The funding received for coronavirus exceptional support covers £14,891 for PPE and cleaning incurred costs as a result of covid. These costs are included in note 7.

**WILLOWS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**5 Other trading activities**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Trip income	-	37,227	37,227	53,811
Catering income	-	68,600	68,600	91,870
Other income	136,750	-	136,750	165,081
	<u>136,750</u>	<u>105,827</u>	<u>242,577</u>	<u>310,762</u>

The income from other trading activities was £242,577 (2019: £310,762), of which £136,750 was unrestricted (2019: £165,081) and £105,827 was restricted (2019: £145,681).

**6 Investment income**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Short term deposits	328	-	328	467
	<u>328</u>	<u>-</u>	<u>328</u>	<u>467</u>

Investment income in year ended 31 August 2020 totalled £328 (2019: £467), of which £328 (2019: £467) related to unrestricted funds and £Nil related to restricted funds (2019: £Nil).

**7 Expenditure**

	<b>Staff costs £</b>	<b>Non Pay Expenditure</b>		<b>Total 2020 £</b>	<b>Total 2019 £</b>
		<b>Premises £</b>	<b>Other £</b>		
Academy's educational operations					
- Direct costs	3,848,264	-	246,411	4,094,675	3,856,048
- Allocated support costs	967,674	414,443	569,273	1,951,390	1,833,786
	<u>4,815,938</u>	<u>414,443</u>	<u>815,684</u>	<u>6,046,065</u>	<u>5,689,834</u>

**WILLOWS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**7 Expenditure (Continued)**

<b>Net income/(expenditure) for the year includes:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to auditor for audit services	16,500	16,500
Operating lease rentals	27,144	8,727
Depreciation of tangible fixed assets	218,405	223,251
Net interest on defined benefit pension liability	47,000	32,000
	<u>          </u>	<u>          </u>

**8 Charitable activities**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Direct costs</b>				
Educational operations	14,412	4,080,263	4,094,675	3,856,048
<b>Support costs</b>				
Educational operations	84,575	1,866,815	1,951,390	1,833,786
	<u>98,987</u>	<u>5,947,078</u>	<u>6,046,065</u>	<u>5,689,834</u>

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Analysis of support costs</b>		
Support staff costs	967,674	816,223
Depreciation	218,405	223,251
Premises costs	196,038	211,150
Other support costs	488,563	477,910
Governance costs	80,710	105,252
	<u>1,951,390</u>	<u>1,833,786</u>

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 9 Staff

##### Staff costs

Staff costs during the year were:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,406,337	3,282,224
Social security costs	288,088	279,518
Pension costs	1,039,143	741,733
	<hr/>	<hr/>
Staff costs - employees	4,733,568	4,303,475
Agency staff costs	53,000	59,183
	<hr/>	<hr/>
Staff development and other staff costs	4,786,568	4,362,658
	29,370	43,168
	<hr/>	<hr/>
Total staff expenditure	4,815,938	4,405,826
	<hr/> <hr/>	<hr/> <hr/>

##### Staff numbers

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

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Teachers	64	66
Administration and support	117	115
	<hr/>	<hr/>
	181	181
	<hr/> <hr/>	<hr/> <hr/>

##### Higher paid staff

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

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	2	3
£70,000 - £80,000	1	-
£80,000 - £90,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 9 Staff

(Continued)

##### 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 employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £536,428 (2019: £491,140).

#### 10 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- others as arising.

The Academy Trust charges for these services on the following basis:

- flat percentage of GAG (6%) (2019: 5%).

The amounts charged during the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Dovedale Primary School	84,840	66,597
Sawley Junior School	74,798	56,109
Sawley Infant School	56,359	48,850
Shardlow Primary School	25,269	-
Willows Academy Trust	-	-
	<u>241,266</u>	<u>171,556</u>

It was agreed by the Trustees that Shardlow Primary School would not be charged for central services in the year ended 31 August 2019. Charges for central services have recommenced in 2019/20.

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 11 Trustees' remuneration and expenses

One or more Trustees have been paid remuneration or have received other benefits from an employment with the Academy Trust. Staff only receive remuneration in respect of services they provide undertaking the role of staff members under their contract of employment.

J Haigh (Chief Executive Officer)

Remuneration £85,000 - £90,000 (2019: £80,000 - £85,000)

Employer's pension contributions paid £20,000 - £25,000 (2019: £10,000 - £15,000)

During the year, travel and subsistence payments and office expenses totalling £174 (2019: £219) were reimbursed or paid directly to one Trustee (2019: one).

Other related party transactions involving the Trustees are set out within note 24.

#### 12 Insurance for Trustees and officers

In accordance with normal commercial practice, the Academy Trust has joined the Education Funding Agency's Risk Protection scheme to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides unlimited cover. As the cover for the trustees and officers is part of the policy, the cost cannot be determined for the period ended 31 August 2020 or the period ended 31 August 2019.

#### 13 Tangible fixed assets

	Long leasehold land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2019	8,179,451	237,191	216,592	8,633,234
Additions	15,580	12,340	27,423	55,343
At 31 August 2020	8,195,031	249,531	244,015	8,688,577
<b>Depreciation</b>				
At 1 September 2019	664,377	198,679	127,312	990,368
Charge for the year	151,793	28,157	38,455	218,405
At 31 August 2020	816,170	226,836	165,767	1,208,773
<b>Net book value</b>				
At 31 August 2020	7,378,861	22,695	78,248	7,479,804
At 31 August 2019	7,515,074	38,512	89,280	7,642,866

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 13 Tangible fixed assets (Continued)

Included in long leasehold land and buildings is land of £597,000 (2019: £597,000) which has not been depreciated.

The long leasehold land and buildings occupied by Sawley Infant School, Sawley Junior School and Dovedale Primary School were transferred by Derbyshire County Council to Willows Academy Trust at the date the three schools converted to academy status. The land and buildings are held under the terms of three 125-year lease agreements at nil rental. The land at Shardlow Primary School is held under a 125-year lease with the local authority. The buildings at Shardlow Primary School are owned by the Diocese of Derbyshire and are occupied under a 5 year lease commencing May 2018.

The land and buildings were valued at depreciated replacement cost at 31 March 2015.

#### 14 Stocks

	2020	2019
	£	£
Stock	10,720	16,463

#### 15 Debtors

	2020	2019
	£	£
Trade debtors	-	9,390
VAT recoverable	30,078	27,310
Other debtors	2,793	4,076
Prepayments and accrued income	172,471	180,130
	<u>205,342</u>	<u>220,906</u>

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

	2020	2019
	£	£
Trade creditors	191,692	89,049
Other creditors	162	99
Accruals and deferred income	199,140	198,761
	<u>390,994</u>	<u>287,909</u>

WILLOWS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Deferred income

	2020 £	2019 £
Deferred income is included within:		
Creditors due within one year	113,689	123,267
Deferred income at 1 September 2019	123,267	183,791
Released from previous years	(123,267)	(183,791)
Resources deferred in the year	113,689	123,267
<b>Deferred income at 31 August 2020</b>	<b>113,689</b>	<b>123,267</b>

The deferred income provision of £113,689 includes £88,569 universal infant free school meals grant, £10,035 rates relief, and £15,085 of trip income

18 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	4,021,101	(4,087,509)	66,408	-
Other DfE / ESFA grants	-	790,108	(790,108)	-	-
Other government grants	-	394,229	(394,229)	-	-
Other restricted funds	-	105,827	(105,827)	-	-
Pension reserve	(2,297,000)	-	(351,000)	522,000	(2,126,000)
	(2,297,000)	5,311,265	(5,728,673)	588,408	(2,126,000)
<b>Restricted fixed asset funds</b>					
Tangible fixed assets	7,642,866	29,093	(218,405)	26,250	7,479,804
<b>Total restricted funds</b>	<b>5,345,866</b>	<b>5,340,358</b>	<b>(5,947,078)</b>	<b>614,658</b>	<b>5,353,804</b>
<b>Unrestricted funds</b>					
General funds	514,564	155,400	(98,987)	(92,658)	478,319
<b>Total funds</b>	<b>5,860,430</b>	<b>5,495,758</b>	<b>(6,046,065)</b>	<b>522,000</b>	<b>5,832,123</b>



# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 18 Funds

(Continued)

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

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 the Education and Skills Funding Agency / Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency / Department for Education.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

The GAG restricted general fund was in deficit by £66,408 (2019: £230,159) at 31 August 2020 and a transfer was made from unrestricted funds to clear the deficit.

A further transfer of £26,250 (2019: £132,873) was made from unrestricted funds to the restricted fixed asset fund to cover capital expenditure not covered by capital grant income.

The pension reserve held within restricted funds was in deficit by £2,126,000 at 31 August 2020. This does not mean that an immediate liability for this amount crystallises. The Trust has entered into an agreement with Derbyshire County Council to make contributions in addition to normal funding levels for the next 17 years, if needed. No additional contributions were made for the year to 31 August 2020 (2019: £nil).

From April 2017, employer contributions percentages increased rather than the Trust paying over separate additional contributions. The contribution rates are as follows:

Dovedale Primary	20.9% (2019: 20.9%)
Sawley Juniors	21.2% (2019: 21.2%)
Sawley Infants	20.0% (2019: 20.0%)
Shardlow Primary	23.3% (2019: 23.3%)

WILLOWS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	33,612	3,846,943	(4,110,714)	230,159	-
Other DfE / ESFA grants	-	600,749	(600,749)	-	-
Other government grants	-	360,421	(360,421)	-	-
Other restricted funds	-	145,681	(145,681)	-	-
Pension reserve	(1,075,000)	-	(217,000)	(1,005,000)	(2,297,000)
	(1,041,388)	4,953,794	(5,434,565)	(774,841)	(2,297,000)
<b>Restricted fixed asset funds</b>					
Tangible fixed assets	7,656,655	76,589	(223,251)	132,873	7,642,866
<b>Total restricted funds</b>	6,615,267	5,030,383	(5,657,816)	(641,968)	5,345,866
<b>Unrestricted funds</b>					
General funds	723,493	186,121	(32,018)	(363,032)	514,564
<b>Total funds</b>	7,338,760	5,216,504	(5,689,834)	(1,005,000)	5,860,430

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 18 Funds

(Continued)

##### Total funds analysis by academy

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
Dovedale Primary School	28,548	8,671
Sawley Junior School	371,456	374,622
Sawley Infant School	129,152	158,320
Shardlow Primary School	(6,846)	9,868
Willows Academy Trust	(43,991)	(36,917)
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	478,319	514,564
Restricted fixed asset fund	7,479,804	7,642,866
Pension reserve	(2,126,000)	(2,297,000)
	<hr/>	<hr/>
Total funds	5,832,123	5,860,430
	<hr/> <hr/>	<hr/> <hr/>

The Willows Academy Trust central function is currently in a deficit position. It was decided for the 2018/19 financial year that charges for central services would not increase. Additionally, the Trust would not charge Shardlow Primary School for central services in order to increase the reserves at Academy level. For the 2020/21 financial year, the trust is forecasting an in-year surplus position and a plan is in place to ensure the Trust achieves sufficient surplus reserves in future years.

Shardlow Primary school is currently in a deficit reserve position, the main reason for this is due to the historic staffing structure. The staffing structure has been revised from 19/20 and there is a long term plan in place to ensure that the school achieves surplus reserves.

**WILLOWS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18 Funds**

**(Continued)**

**Total cost analysis by Academy**

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	<b>Total 2020</b>
	£	£	£	£	£
Dovedale Primary School	1,219,681	353,498	67,358	286,841	1,927,378
Sawley Junior School	1,016,732	220,938	69,267	263,407	1,570,344
Sawley Infant School	1,135,754	220,075	60,169	292,700	1,708,698
Shardlow Primary School	354,855	105,388	49,618	104,295	614,156
Willows Academy Trust	121,243	67,775	-	59,334	248,352
	<u>3,848,265</u>	<u>967,674</u>	<u>246,412</u>	<u>1,006,577</u>	<u>6,068,928</u>

**Total cost analysis by Academy - previous year**

Expenditure incurred by each Academy during the previous year was as follows:

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	<b>Total 2019</b>
	£	£	£	£	£
Dovedale Primary School	1,120,556	303,270	86,651	290,314	1,800,791
Sawley Junior School	950,607	182,222	87,120	245,202	1,465,151
Sawley Infant School	1,079,395	202,693	48,963	274,299	1,605,350
Shardlow Primary School	324,851	63,998	43,711	92,565	525,125
Willows Academy Trust	114,194	64,040	-	63,488	241,722
	<u>3,589,603</u>	<u>816,223</u>	<u>266,445</u>	<u>965,868</u>	<u>5,638,139</u>

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	7,479,804	7,479,804
Current assets	478,319	390,994	-	869,313
Creditors falling due within one year	-	(390,994)	-	(390,994)
Defined benefit pension liability	-	(2,126,000)	-	(2,126,000)
<b>Total net assets</b>	<b>478,319</b>	<b>(2,126,000)</b>	<b>7,479,804</b>	<b>5,832,123</b>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	-	-	7,642,866	7,642,866
Current assets	514,564	287,909	-	802,473
Creditors falling due within one year	-	(287,909)	-	(287,909)
Defined benefit pension liability	-	(2,297,000)	-	(2,297,000)
<b>Total net assets</b>	<b>514,564</b>	<b>(2,297,000)</b>	<b>7,642,866</b>	<b>5,860,430</b>

#### 20 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 Derbyshire County Council. Both are multi-employer defined-benefit schemes.

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

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

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 20 Pension and similar obligations

(Continued)

##### Teachers' Pension Scheme

###### Introduction

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

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

###### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £485,730 (2019: £350,413).

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.

**WILLOWS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**20 Pension and similar obligations**

**(Continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit 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 18.6% for employers and 7.4% to 11.7% for employees however, the Trust has an arrangement to pay increased contributions as set out in note 18.

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.

<b>Total contributions made</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Employer's contributions	225,000	207,000
Employees' contributions	62,000	58,000
	<u>          </u>	<u>          </u>
Total contributions	287,000	265,000
	<u>          </u>	<u>          </u>

<b>Principal actuarial assumptions</b>	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	2.9	2.8
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.3
Commutation of pensions to lump sums	50.0	50.0
	<u>          </u>	<u>          </u>

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

	<b>2020</b>	<b>2019</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	21.6	21.9
- Females	23.7	24.4
Retiring in 20 years		
- Males	22.6	23.9
- Females	25.1	26.5
	<u>          </u>	<u>          </u>

# WILLOWS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 20 Pension and similar obligations

(Continued)

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

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
0.1% decrease in Real Discount Rate	136	146
0.1% increase in Salary Increase Rate	21	26
0.1% increase in Pension Increase Rate	113	117

#### The Academy Trust's share of the assets in the scheme

	<b>2020</b>	<b>2019</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£</b>	<b>£</b>
Equities	1,758,000	1,548,000
Bonds	652,000	609,000
Cash	227,000	203,000
Property	198,000	178,000
Total market value of assets	2,835,000	2,538,000

The actual return on scheme assets was £23,000 (2019: £135,000).

#### Amount recognised in the Statement of Financial Activities

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current service cost	529,000	361,000
Past service cost	-	31,000
Interest income	(50,000)	(64,000)
Interest cost	97,000	96,000
Total operating charge	576,000	424,000



**WILLOWS ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2020****20 Pension and similar obligations****(Continued)**

<b>Changes in the present value of defined benefit obligations</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At 1 September 2019	4,835,000	3,225,000
Current service cost	529,000	361,000
Interest cost	97,000	96,000
Employee contributions	62,000	58,000
Actuarial (gain)/loss	(549,000)	1,076,000
Benefits paid	(13,000)	(12,000)
Past service cost	-	31,000
	<hr/>	<hr/>
At 31 August 2020	4,961,000	4,835,000
	<hr/> <hr/>	<hr/> <hr/>

**Changes in the fair value of the Academy Trust's share of scheme assets**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At 1 September 2019	2,538,000	2,150,000
Interest income	50,000	64,000
Actuarial loss/(gain)	(27,000)	71,000
Employer contributions	225,000	207,000
Employee contributions	62,000	58,000
Benefits paid	(13,000)	(12,000)
	<hr/>	<hr/>
At 31 August 2020	2,835,000	2,538,000
	<hr/> <hr/>	<hr/> <hr/>

**WILLOWS ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2020****21 Reconciliation of net expenditure to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net expenditure for the reporting period (as per the statement of financial activities)	(550,307)	(473,330)
Adjusted for:		
Capital grants from DfE and other capital income	(29,093)	(76,589)
Investment income receivable	(328)	(467)
Defined benefit pension costs less contributions payable	304,000	185,000
Defined benefit pension scheme finance cost	47,000	32,000
Depreciation of tangible fixed assets	218,405	223,251
Decrease/(increase) in stocks	5,743	(1,862)
Decrease/(increase) in debtors	15,564	(11,375)
Increase/(decrease) in creditors	103,085	(100,179)
<b>Net cash provided by/(used in) operating activities</b>	<b>114,069</b>	<b>(223,551)</b>

**22 Analysis of changes in net funds**

	<b>1 September</b>	<b>Cash flows</b>	<b>31 August</b>
	<b>2019</b>		<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash	565,104	88,147	653,251

**23 Commitments under operating leases**

At 31 August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	17,686	16,658
Amounts due in two and five years	28,274	47,936
	<u>45,960</u>	<u>64,594</u>

## **WILLOWS ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **24 Related party transactions**

Owing to the nature of the Academy Trust'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 Trustees have an interest. All transactions involving such organisations are conducted at arms length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. There were no related party transactions in either the year ended 31 August 2020 or the comparative period of account.

#### **25 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.