



Hinchley Wood Learning Partnership

Inspiring Learners

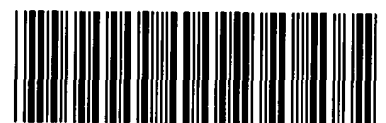
(A COMPANY LIMITED BY GUARANTEE)

Annual Report and Financial Statements

Year Ended 31 August 2020

Company Registration Number:
07886416

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REFERENCE AND ADMINISTRATIVE DETAILS

Governance Structure

Members:

Mrs Sue Davison
Professor Becky Francis
Mr Aidan Fudge
Mr Lawrie Lee
Mr Martin Phelps

Trustees:

Miss Claudette Atkinson (Co-Chair of Trustees) (re-appointed 14 November 2020)
Mr Ben Bartlett (Executive Headteacher)
Mr David Bateman (appointed 14 October 2019)
Mrs Kath Bennett (appointed 16 October 2019)
Mr Robert Mutchell
Mr Ben Raybould (appointed 6 November 2019)
Mr Jon Ross
Mr Andy Sellers (Co-Chair of Trustees)
Mr Marc Weedon

Senior Leadership Team:

Mr Ben Bartlett (Executive Headteacher and Accounting Officer)
Mr Michael Robeson (Director of Finance & Resources and Chief Financial Officer)

HINCHLEY WOOD SCHOOL:

Ms Maria Cachia (Deputy Headteacher)
Miss Lucy Macdonald (Deputy Headteacher)
Mrs Katy Cullen (Assistant Headteacher)
Mrs Heather Adams (Acting Assistant Headteacher)
Mrs Anna Martin (Acting Assistant Headteacher)
Mr Chris Murray (Acting Assistant Headteacher)
Miss Rebecca Wiscombe (Acting Assistant Headteacher)

HINCHLEY WOOD PRIMARY SCHOOL:

Mrs Aisling Hogan (Headteacher)
Mrs Bethan Chadda (Deputy Headteacher) (appointed April 2020)
Miss Sarah Clow (Assistant Headteacher) (appointed January 2020)
Miss Nicola Jayne (Assistant Headteacher) (appointed September 2020)
Mrs Seanne Wilmot (Assistant Headteacher) (appointed January 2020)



REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Company Name:	Hinchley Wood Learning Partnership
Principal and Registered Office:	Claygate Lane, Hinchley Wood, Surrey KT10 0AQ
Company Registration Number:	07886416 (England and Wales)
Independent Auditor:	Haysmacintyre LLP 10 Queen Street Place, London EC4R 1AG
Bankers:	National Westminster Bank PLC 10 Victoria Road, Surbiton, Surrey KT6 4JY
Solicitors:	Veale Wasbrough Vizards Barnards Inn, 86 Fetter Lane, London EC4A 1AD
Website:	www.hinchleywoodschoo.co.uk



TRUSTEES' REPORT

The Trustees are pleased to present their report and financial statements together with the auditor's report for the period 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.

Organisation Structure, Governance and Management

Changes to Constitution: Following the formation of the Hinchley Wood Learning Partnership ("Trust" or "Academy Trust") on 1 July 2019 and during the early part of the academic year 2019-20, the Academy Trust continued to provide support to Hinchley Wood Primary School. Hinchley Wood Primary School successfully converted to academy status and formally joined the Hinchley Wood Learning Partnership on 1 October 2019.

As part of this process, the Hinchley Wood Education Trust was dissolved, effective 24 September 2019, at Companies House.

Review of Governance Structure

During the Multi-Academy Trust conversion process, the Governing Board undertook a full review of their governance structure. To coincide with conversion on 1 July 2019 and Hinchley Wood Primary School ("HWPS") joining Hinchley Wood School ("HWS") as the second school within the Hinchley Wood Learning Partnership ("HWLP") on 1 October 2019, a new governance structure was implemented. This structure, as indicated in the chart below, comprises:

- HWLP Members – five new members appointed.
- HWLP Trust Board – comprising up to nine Member Appointed Trustees and up to three Co-opted Trustees, as required.
- Trust Board Committees covering: Finance & Resources; Human Resources; Senior Pay; Executive Headteacher's Review Board and Education Strategy Advisory Group (currently dormant).
- Local Governing Bodies – one for each school, comprising up to ten local governors. Six are Trustee Appointed and there are two Parent Local Governors and two Staff Local Governors on each Local Governing Body.
- A Local Governing Body Admissions Sub-Committee covering both schools.

Constitution: The Academy Trust is a company limited by guarantee and an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust.

Members' Liability: The liability of each member of the charitable company is limited to £10.

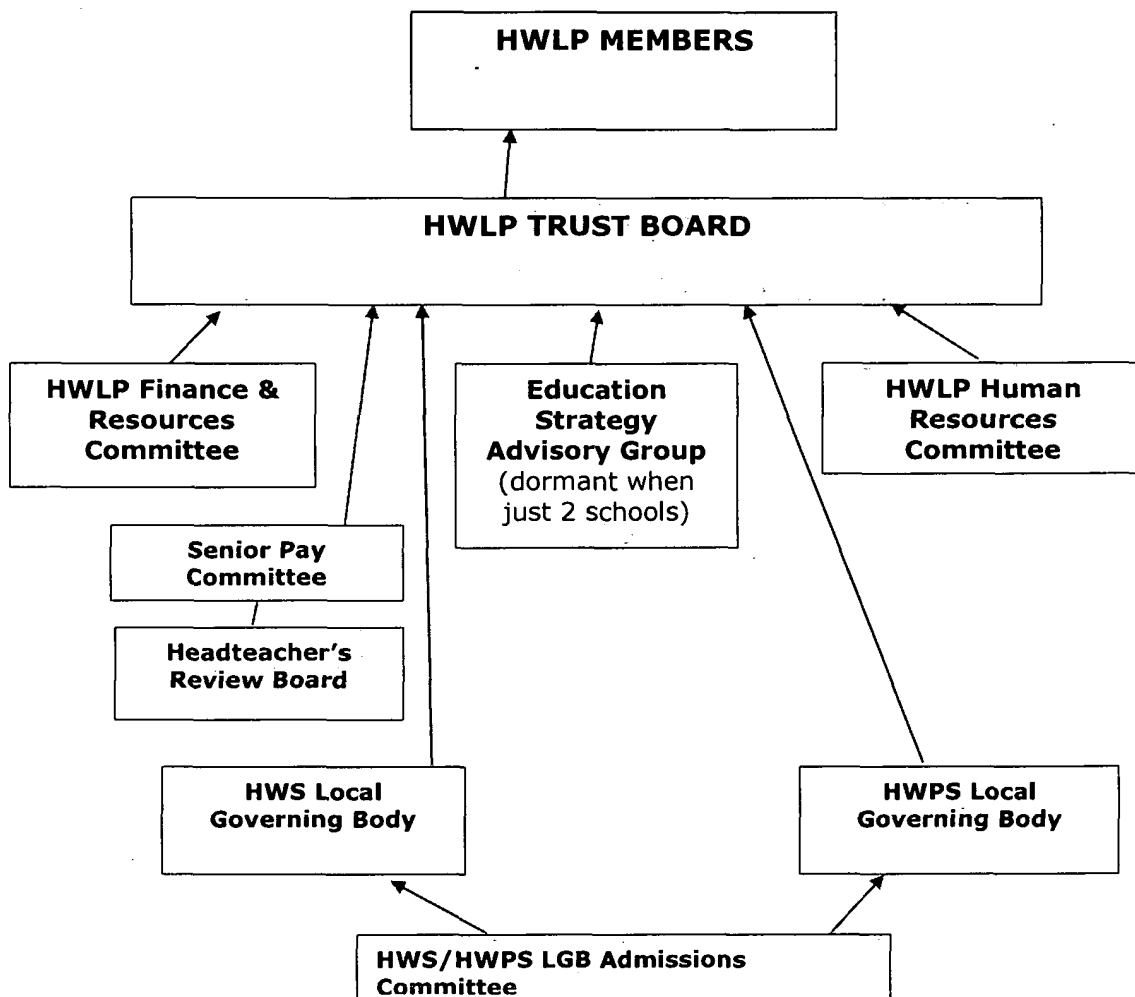
Trust Board and Local Governing Bodies: The Trustees continue to be responsible for the charitable activities of Hinchley Wood Learning Partnership and are also the directors of the charitable company for the purposes of company law.



TRUSTEES' REPORT (continued)

Organisation Structure, Governance and Management (continued)

Governance Structure:



Details of the composition of the Trust Board are included above. The Trust Board will meet at least four times a year and has established Committees and Local Governing Bodies, as indicated above, to undertake delegated responsibilities and much of the detailed monitoring.

Finance Procedures, the Accounting Officer, Chief Financial Officer, Responsible Officer: The Trustees have approved the School's Financial Procedures Manual and have appointed the Executive Headteacher as the Accounting Officer and the Director of Finance & Resources as the Chief Financial Officer, to oversee the internal controls and procedures which provide assurance to the Trustees that the school's financial policies are being adhered to.

The Academy Trust has chosen not to have a separate Audit Committee or internal auditors but instead has appointed a Responsible Trustee who reviews the operation of the internal control system. The Academy Trust's external auditors also report to the Trustees on any matters that they consider appropriate.



TRUSTEES' REPORT (continued)

Organisation Structure, Governance and Management (continued)

Whistle Blowing Procedure: The Academy Trust has a Whistle Blowing Policy which has a clear way of confidentially reporting any concerns that a member of staff (or possibly a parent) has about a senior member of school leadership including Trustees and local governors.

Trade Union Disclosure: There was one trade union representative in the period covering Hinchley Wood School and no associated costs to disclose.

Management of the Schools: The day-to-day management of the schools is delegated to the Executive Headteacher and the Senior Leadership Team.

Arrangements for setting pay and remuneration of key management personnel:

Key management personnel comprise the members of the Senior Leadership Team ("SLT") and four Staff Local Governors. Pay and remuneration of the Executive Headteacher is recommended by the Headteacher's Review Panel comprising the Co-Chairs of Trustees, Chair of Finance & Resources Committee and Chair of Human Resources Committee supported by an external overview partner. Recommendations are based on an annual performance review relative to set objectives. Pay and remuneration of the SLT, including the Executive Headteacher and the Director of Finance and Resources, is set by the Senior Pay Committee, comprising three Trustees who consider recommendations from the Headteacher's Review Panel and from the Executive Headteacher (in respect of other members of SLT).

Pay and remuneration of the four Staff Local Governors is set by the Human Resources Committee, after considering recommendations from the Executive Headteacher. As a general benchmark, key management personnel on the Leadership Pay Scale can expect to progress up the pay spine by a single point annually, but discretion exists to modify the rate of progress depending upon individual responsibilities and annual performance reviews. The pay of the Director of Finance and Resources, as a rule, can progress up the Associate Staff pay scale by a point each year within the pay band allocated to the role, subject to the outcome of the annual performance review.

Appointment and Recruitment of Trustees and Local Governors: There are up to nine Member Appointed Trustees and up to three Co-opted Trustees appointed by Trustees as required. Within each Local Governing Body, there are up to six Trustee Appointed Local Governors. There are two Parent Local Governors on each Local Governing Body elected by parents of students registered at respective school; the Local Governing Body arranges to notify parents of any vacancies and oversees a ballot when the number of nominees exceeds the number of vacancies. Two Staff Local Governors are similarly elected by staff at each school.

Trustees and Local Governors can be sourced from the local community and businesses. The matrix of skills required by the Trust Board and the skill sets of existing Trustees and local governors help to inform selection and election processes. Potential or interested candidates are invited to visit the relevant school and meet the Co-Chairs of Trustees, Chairs of Local Governing Bodies and Executive Headteacher.

Governor Indemnity: In accordance with normal commercial practice, the Academy



TRUSTEES' REPORT (continued)

Organisation Structure, Governance and Management (continued)

trust has purchased insurance via the government Risk Protection Arrangement (RPA) scheme to protect Trustees, local governors and school management from claims arising from

negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £10 million for any one claim and in the aggregate in any one period of insurance.

Induction and Training of Trustees and Local Governors: All new Trustees and local governors are provided with a full induction pack, access to Academy's financial statements and other relevant material included on GovernorHub – the Board's online portal. Training is provided for all Trustees and local governors by an educational consultancy specialising in governor training and via online training modules on the National Governance Association's Learning Link. The Clerks to Trustees and Local Governors also provide details of other relevant courses. In addition, in-house training/workshop sessions are provided covering various topics e.g. Child Protection and Safeguarding.

Risk Management: The Trustees have reviewed the Academy Trust's Risk Register, which summarises the major identified risks to which the Academy Trust is exposed; the severity of the risk and the likelihood of it occurring; and the ways the Academy Trust is attempting to mitigate those risks.

The main areas of risk covered include governance, strategic risk (including MAT expansion), student / staff safety and protection, financial and fraud risk and business continuity risk. The Trustees are satisfied that the Academy Trust has internal controls in place which allow it to manage the identified risks and to minimise their potential consequences as far as possible.

Principal Financial Risks and Uncertainties: The principal financial risks to the Academy Trust include:

- A sustained fall in the number of students applying for admission to the Sixth Form, Year 7 and Reception
- Changes to existing or future funding formulas which reduce the real term funding per pupil
- Significant increases in employment costs for which we do not receive additional funding
- An unsuccessful integration of a new school into the Trust
- Business Continuity risk due to loss of data and IT infrastructure following a catastrophic event (e.g. fire / flood / pandemic)
- Major fraud

The Trustees believe that:

- overall student numbers are unlikely to significantly reduce whilst the secondary school remains outstanding and continues to attract admissions to the primary school, given its feeder school status to the secondary school;



TRUSTEES' REPORT (continued)

Organisation Structure, Governance and Management (continued)

- changes to the funding formula are outside the control of the Academy Trust but the phased National Funding Formula has been increasing the per pupil funding at both schools;
- extensive due diligence of any school that is a potential new joiner to the MAT should ensure that the risk to the Trust, financial or otherwise, is kept to a minimum;
- The Trust's financial policies and procedures, internal controls, regular management information and monitoring and auditing reviews by the Responsible Individual and external auditors minimise the risk of fraud (for which we are insured via the RPA);
- Our RPA cover and extensive use of the cloud for data storage use / remote access is central to a business continuity plan that allow teaching and learning to continue in the event that the school site or server rooms become damaged or inaccessible.

Going Concern: After making the appropriate enquiries, the Trust Board is satisfied that the Trust has adequate resources to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing these financial statements.



TRUSTEES' REPORT (continued)

Principal Object and Vision of the Trust

The principal object of the Trust is the provision, as a public benefit, of a broad and balanced education for students in its schools. This is achieved through the Trust running (i) Hinchley Wood School which is a non-selective, co-educational secondary school for students aged 11 – 19 years, and (ii) Hinchley Wood Primary School, which is a non-selective co-educational primary school for children aged 4 -11.

The Trust vision is that the schools collectively equip our students with the personal qualities, skill set, experience, breadth of knowledge and qualifications required to allow them to meet their potential in their future lives, to have fulfilling personal relationships and to be responsible members of society. In particular, our values mean that we focus on students being confident, considerate, determined, enthusiastic and independent.

The Trust's School Improvement Plans are designed to take the respective schools forward in line with our strategic vision. Further details of our plans are available on the school websites.

The Trust plans to expand very locally and has had preliminary discussions with other local primary / junior schools with a view to them potentially joining the Trust.

Public Benefit

The Academy Trust's aims, mission statement and plans are all focused on using our public funding and other income we generate to provide the best possible free education for all the students who choose to attend our school, as well as offering our sporting and other facilities for use at reasonable cost by the local community.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in determining the activities undertaken by the Academy Trust.

Strategic Report

Student Numbers

As at the October 2019 census date:

HWS had a total of 1,388 students (2018: 1,347) of which 46.3% were female and of whom 279 (2018: 239) were in the Sixth Form.

HWPS had a total of 623 students (2018:620) of which 48.3% were female.



TRUSTEES' REPORT (continued)

Achievements and Performance

Primary School Performance

Due to the period of national lockdown there were no SATs for Year 2 & 6 children this year and therefore no national data to report on. As a school, we completed standardised tests for Year 5 and 6 children the results and actions are shown below:

Year 6 Maths:

Analysis of group scores (all students)

The table and bar chart below show the distribution of scores for the group against the national average.

Description	Very low	Below average		Average			Above average		Very high
SAS bands	<74	74-81	82-88	89-96	97-103	104-111	112-118	119-126	>126
National average	4%	7%	12%	17%	20%	17%	12%	7%	4%
All students	9%	8%	14%	19%	20%	18%	6%	5%	1%

Y6 Maths Actions

- Additional intervention teacher is working with a group of children on the cusp of Age Related Expectation (ARE)
- Focus in class on identified areas of weakness as part of the catch up curriculum
- Daily flashbacks focussing on previously covered areas to ensure children continue to apply this knowledge

Year 6 English

Analysis of group scores (all students)

The table and bar chart below show the distribution of scores for the group against the national average.

Description	Very low	Below average		Average			Above average		Very high
SAS bands	<74	74-81	82-88	89-96	97-103	104-111	112-118	119-126	>126
National average	4%	7%	12%	17%	20%	17%	12%	7%	4%
All students	1%	2%	7%	20%	9%	24%	18%	10%	9%

Y6 English Actions

- Additional intervention teacher is working with a group of children on the cusp of Greater Depth within the expected Standard (GDS)
- Children who are working below ARE are receiving Alpha to Omega and Rapid Reading interventions

Year 5 Maths

Analysis of group scores (all students)

The table and bar chart below show the distribution of scores for the group against the national average.

Description	Very low	Below average		Average			Above average		Very high
SAS bands	<74	74-81	82-88	89-96	97-103	104-111	112-118	119-126	>126
National average	4%	7%	12%	17%	20%	17%	12%	7%	4%
All students	1%	1%	8%	19%	24%	26%	13%	7%	1%

Y5 Maths Actions

- Quality first teaching to close gaps, with 1 additional maths lesson per week
- Daily flashbacks focussing on previously covered areas to ensure children continue to apply this knowledge



TRUSTEES' REPORT (continued)

Year 5 English

Analysis of group scores (all students)

The table and bar chart below show the distribution of scores for the group against the national average.

Description	Very low	Below average			Average			Above average	Very high
SAS bands	<74	74-81	82-88	89-96	97-103	104-111	112-118	119-126	>126
National average	4%	7%	12%	17%	20%	17%	12%	7%	4%
All students	1%	1%	4%	14%	31%	21%	14%	9%	4%

Y5 English Actions

- Question level analysis showed very few gaps in children's knowledge
- Quality first teaching to ensure children continue to achieve well and make good progress

Secondary School Performance

Owing to the coronavirus pandemic, public examinations in GCSEs and at A Level did not take place. Instead, the school was required to submit "centre assessed grades" in respect of each student. These assessments were submitted in accordance with strict criteria and the results reflected the academic strength of both the Year 11 and Year 13 cohorts.

GCSE Grades:

- The headline figures for the summer 2020 GCSE cohort shows 96% of all students achieving 5 or more 4+ grades (breaking the 90% mark for the fourth successive year)
- 92% of the cohort achieved 5 or more 4+ Grades including English & Maths.
- 48% of all GCSE grades were achieved at Grade 7 or above (the equivalent of the old Grade A).
- For the fourth successive year, our students performed at least 6 GCSE grades better than their peers nationally given their KS2 starting points.
- These outcomes place us amongst the top 200 schools in England in terms of the progress our students make.

GCSE Progress measures:

- The Summer 2020 GCSE cohort achieved a Progress 8 score of +1.01. In simplest terms, this means that our students achieved 10 grades better than their national peers of equivalent starting points in 8 Performance Table GCSE subjects.
- This performance places Hinchley Wood School in the top 200 of all Secondary Schools in England (including grammar schools and faith schools) in terms of the progress made by our learners and makes us one of the highest performing non-selective state schools in Surrey.



TRUSTEES' REPORT (continued)

A Level Grades:

- Our A level results were also of an excellent standard with more than 40% of all grades achieved at A/A*
- 77% of all grades were A*-B grades with 8 students achieving a clean sweep of 3 A* grades.
- It was not just the very highest grades but outstanding progress that allowed all our 6th Form students to achieve fantastic results and ensured that every single Y13 student who wanted to go to University did so - accepted by their first or reserve choice - their path of their choice at the country's leading universities (with 43% of students going on to Russell Group Universities)

Sustaining Improvement

The schools are committed to sustaining and bettering these results in the coming years. In order to do that we encourage and allocate budgets to continuous professional development ("CPD") and training of staff; monitor individual student performance on a regular basis; observe lessons, undertake peer reviews, provide coaching and mentoring for all teachers; monitor actual results by department and teacher against challenging targets; target intervention for individual students and provide holiday, weekend and after school revision sessions in a range of subjects.

Opportunities for Personal Development - Sport, Music, Drama, Trips, Clubs and Other Activities

The schools in the Trust strive to be schools where "beyond the classroom" is a very important part of the students' education. The schools believe that a broad education is crucial to a student's life chances. We provide a wide range of activities to give all our students the best chances to broaden their experience, to develop leadership and other life skills and to learn about lasting relationships. To this end, we run a substantial and varied range of activities beyond the classroom to offer opportunities for personal development to all our students. Clearly these activities were severely curtailed with the national lockdown over the spring and summer as a consequence of the coronavirus pandemic.

NAS Cullum Centre and Overall Site Development

The NAS Cullum Centre at HWS for high functioning students with autism was privately funded and construction was completed during the summer of 2016, complete with a stunning roof garden.

The Centre is based at HWS and opened its doors to the first four students in September 2016 and had seventeen students during 2019/20. It is intended that these students will, over time, spend the majority of their time (80%) in mainstream classes with additional support when needed. When full, the Centre will accommodate 20 students.

A review of the Cullum Centre provision in Spring 2020 by Professor Moore and Professor Martin from London South Bank University (4 years after the Centre was opened) described the provision as a "fabulous example of inclusive practice".



TRUSTEES' REPORT (continued)

Across the sites of both schools much was done to upgrade the infrastructure and fabric of the buildings. At HWS we fully refurbished two science labs at a cost of just over £100,000. At HWPS there was wholesale replacement, repair and upgrade of the entire IT network and associated hardware, the drainage system, multiple flat and pitched roofs. In addition, the electrical supply was rebalanced and an extensive internal refurbishment programme of the Main Building got underway.

Connected Organisations, including Related Party Relationships

HWS works closely with the following organisations:

- Elmbridge 14-19 Consortium and its related Applied Learning Project is a collaborative partnership of the four secondary schools and the Sixth Form college in Elmbridge. It promotes education for a number of Key Stage 4 students who struggle with the standard curriculum.
- The consortium is not a legal entity but operates under a partnership management agreement, which sets out that funds belong to the group as a whole and any surplus or deficit belongs to all members in agreed shares.
- HWS acts as a custodial agent in this regard and therefore the income and expenditure of the organisations is not shown in the Academy Trust's financial statements. The Academy Trust's balance sheet does include the assets and liabilities of the Consortium (with its net reserves shown as a creditor of the Academy Trust).
- The Hinchley Wood Development Fund is a charitable fund, which is governed independently of HWLP. The majority of funds are accumulated as a result of parental donations, but it also receives occasional donations from local businesses and trusts. The aims of the Hinchley Wood Development Fund are to benefit current and future students specifically at HWS, typically by funding facilities that cannot be provided out of government funding.
- Similarly, the Hinchley Wood Primary School Fund is a charitable fund which is governed independently of HWLP. The majority of funds are almost exclusively accumulated as a result of parental donations. The aims of the Hinchley Wood Primary School Fund are to benefit current and future students specifically at HWPS, typically by funding facilities that cannot be provided out of government funding.

Engagement with employees (including disabled persons)

The Trust encourages staff engagement and offers several avenues to provide information to staff that may be of interest or concern to them. It also offers staff the means to feedback their own thoughts and concerns. Weekly whole staff briefings are held, and periodic email / web-based surveys are carried out for broader consultations - canvassing opinion on the early use of masks in HWS as a response to the coronavirus pandemic was a good example of such consultation. Staff can raise issues



TRUSTEES' REPORT (continued)

via their line managers who, in turn, will take those issues to SLT. The Trust encourages an open two-way culture of communication in the interest of the pursuit of excellence within the schools, and this extends to the relationship between management and union representatives.

The Trust does not currently have any disabled staff but encourages applications from any qualified candidates, irrespective of disability. Training, career developments and promotion prospects are open equally to all staff.

Engagement with Suppliers

The academy trust works with a wide range of third party suppliers and contractors. The core suppliers with whom the Academy Trust has developed long term relationships are typically represented by the core trades – plumbers, electricians, drainage, roofing, air conditioning and boilers. The roster of suppliers that the school has built up are reliable, competitive and provide good value for money.

In terms of buying resources for the Trust, the Trust takes advantage of purchasing frameworks negotiated by the DfE and has recently replaced its fleet of follow-me printers via one such framework.

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)	1,476,188
Scope 1 emissions in metric tonnes CO2e	
Gas consumption	158.96
Owned transport – mini-buses	1.82
Total scope 1	160.79
Scope 2 emissions in metric tonnes CO2e	
Purchased electricity	112.54
Scope 3 emissions in metric tonnes CO2e	
Business travel in employee owned vehicles	0.36
Total gross emissions in metric tonnes CO2e	273.69
Intensity ratio: Tonnes CO2e per pupil	0.136



TRUSTEES' REPORT (continued)

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

We have installed low energy LED lighting across the Trust and manipulate the timing settings of our boilers and air conditioning units very carefully for optimum use.

Leadership Team

Our Executive Headteacher, Ben Bartlett, has now led Hinchley Wood School for seven years and has made an outstanding contribution to moving the school to the point where it is regularly one of the top three performing schools in Surrey and in the top 200 performing schools nationally. He has also led the Hinchley Wood Learning Partnership since its inception on 1 July 2019.

Financial Review

The Trust is financially sustainable with sufficient reserves to weather unanticipated circumstances, such as the Coronavirus pandemic and any resultant financial shocks.

Both schools within the Trust continue to face the financial challenges which are affecting the education sector as a whole. The Trust actively seeks to improve efficiencies in its various support functions, including Premises and Finance. The Trust works to ensure that sustainable budgets are set for the schools within the MAT and that those budgets are matched closely by actual financial performance.

The Trustees challenge the financial management of the Trust in a constructive but robust fashion. The main ongoing challenge across the organisation and the sector as a whole is ensuring the provision of a high quality, inclusive education offering, using a finite and reducing set of resources, coupled with the impact of ever-changing curriculum and administrative demands.

Although year-on-year comparatives are supplied in the narrative below, it should be noted that they offer no meaningful basis for comparison between the financial years ending in August 2019 and August 2020, since HWPS only joined the Trust on 1 October 2019.



TRUSTEES' REPORT (continued)

Funding

Most of the Trust's income is obtained from the Department for Education in the form of recurring grants, the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2020 and the associated expenditure are shown in the Statement of Financial Activities.

Specifically, the Trust received £9,980k or 90.03% (2019: 86.12%) of its gross revenue funding in 2019/20 from the DfE / other government grants, with Other Income / Trading & Investment Income making up the balance.

The gradual phasing in of the National Funding Formula ("NFF") is nearly complete and both HWS and HWPS have benefited from an increase in funding per student head. This is due largely to a recently incorporated "backstop" feature of the NFF which has created the concept of a minimum per pupil funding amount (MPPL). In 2019/20, the MPPL amounted to £4,800 per secondary student and £3,750 per primary student. Schools like HWS and HWPS, which are located in relatively affluent areas, attract little in the way of deprivation funding streams and therefore benefit from this backstop feature.

Although, by definition, the MPPL places both HWS and HWPS at the lowest end of the national per student funding spectrum, it nevertheless represents an absolute increase in funding for both schools, relative to recent years.

The High Needs top-up funding that the Academy Trust receives from Surrey for the 17 NAS Cullum Centre students is generous (£19k per student) and is currently protected by the initial 5-year funding agreement. However, this is likely to come under pressure in the future given the precarious state of Surrey's High Needs budget.

The Trust received £154,492 (2019: £104,200) of pupil premium funding and £10,182 of catch-up funding (2019: £10,182) in 2019/20.

We have used this funding to target students who are on, or have been on, free school meals in the previous six years and who may not be performing as well as their contemporaries for a range of reasons. We provide one-to-one tuition and small group support as well as financial help for trips, books, uniform and other resources that individual students may not be able to afford.

Other Income / Trading Income / Investment Income

£1,105k, some 9.97% (2019: 13.88%) of the Trust's gross revenue, is derived from activities including lettings, our catering operation, school trips and providing longer term support to other schools. This income, together with related expenditure, is captured within Unrestricted General Funds and generates a net surplus each year. Every year we need to transfer some or all of the entire surplus to Restricted Funds in order to underpin our basic education provision and to provide capital for the upkeep of the site. This revenue stream (particularly catering and lettings) was dramatically reduced as a consequence of the initial Covid lockdown but the financial effects were broadly offset by reduced curriculum expenditure.



TRUSTEES' REPORT (continued)

Expenditure

The Trust spends 91.14% (2019: 95.60%) of its General Annual Grant ("GAG") funding / other government grants on staffing (including on costs and pension scheme operating costs). We have a particularly experienced teaching staff at HWS but the overall teaching model is tight with a relatively high pupil teacher ratio of approximately 17:1. At HWPS the staffing ratio is 23.4 but, as a primary school, there is a much higher proportion of teaching assistants.

As a single academy trust, HWS was organised to try and ensure that as many of the data, administrative and organisational tasks as possible are undertaken by associate staff, leaving teachers free to concentrate on teaching and learning. This theme continues with the addition of HWPS to the Trust

The Trust encourages both teachers and associate staff to join our pension schemes (see note 27 to the accounts) but the actual contributions required each year are high. The Trust spent 9.73% (2019: 7.61%) of GAG funding / other government grants on teachers' pensions in 2019/20 and 4.25% (2019: 4.09%) of GAG funding / other government grants to service the associate staff scheme (Local Government Pension Scheme - LGPS). Contribution rates for both employers and employees are revised every three years by actuaries for the LGPS.

The Trust spent 1.10% of funding on energy and water, which was undoubtedly helped by the period for which the schools were largely locked down between the end of March 2020 and the end of the academic year.

Cash at 31 August 2020

The Trust held £1,663k of cash at year end (2019: £1,159k), of which some £88k was held as a custodian agent on behalf of the Elmbridge 14-19 Consortium and Hinchley Wood Development Fund.

Investment Policy

There are no investments held beyond call cash deposits retained with our bankers.

Reserves Policy

Our policy is that the positive reserve balance of the Unrestricted General Fund should be maintained in the order of approximately 3.0-5.0% of total GAG Funding / other government grants. These reserves are primarily designed to ensure that the Trust (i) can cover any in-year deficits, and (ii) has the means to make structural adjustments to its teaching and learning provision in an orderly fashion should ongoing unfunded cost pressures make this a necessity. Latterly it is anticipated that some of these reserves will be used to fund the incremental sanitary and associated costs with managing Covid risks within the Trust. As at 31 August 2020, Unrestricted Revenue Reserves were 5.52% of total GAG Funding / other government grants



TRUSTEES' REPORT (continued)

Movement of selective reserves by type is detailed below:

	At 1 September 2019 £'000	At 31 August 2020 £'000	Change £'000
Unrestricted Revenue Reserves	253	551	298
Capital Reserves	180	342	162
Pension Reserve	(3,129)	(4,432)	(1,303)

Local Government Pension Scheme (LGPS) *(see note 27 for details)*

The LGPS shows a deficit at 31 August 2020 of £4,432k (2019: £3,129k). This significant widening in the net deficit reflects (i) the addition of net deficit of the HWPS participation in the LGPS, and (ii) the application of Financial Reporting Standard 102, which covers pension accounting. Nevertheless, the overall deficit reflects the general underfunding of the LGPS together with the historically low yields on government bonds and the resultant low discount rates that are used to discount the nominal amount of the pension liabilities.

Audit

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating the Strategic Report, approved by order of the members of the Hinchley Wood Learning Partnership Trust Board on 9 December 2020 and signed on its behalf by:

Claudette Atkinson
Co-Chair of Trustees



Andy Sellers
Co-Chair of Trustees





GOVERNANCE STATEMENT

For the Year Ended 31 August 2020

Scope of Responsibility

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

As Trustees, we have reviewed and taken account of the guidance in the DfE Governance Handbook and competency framework for governance and delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, and the Director of Finance & Resources, as Chief Financial Officer, for ensuring that 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 Hinchley Wood Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the Trust Board 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. Under the new structure, the Trust Board met formally four times during the year. Four meetings of the Trust Board, combined with six meetings of the Finance & Resources Committee, provides more than a total of six meetings per academic year in line with the Academies Accounts Direction. Attendance during the year at meetings of the Trust Board was as follows:

Trustee	Meetings attended	Out of a possible
Miss Claudette Atkinson – Co-Chair of Governors (re-appointed 14 November 2020)	3	4
Mr Ben Bartlett – Executive Headteacher and Accounting Officer	4	4
Mr David Bateman (appointed 14 October 2019)	3	4
Mrs Kath Bennett (appointed 16 October 2019)	4	4
Mr Robert Mutchell	4	4
Mr Ben Raybould (appointed 6 November 2019)	4	4
Mr Jon Ross	4	4
Mr Andy Sellers – Co-Chair of Trustees	4	4
Mr Marc Weedon	4	4

Under the new structure, there were Trust Board Committees covering Finance & Resources, Human Resources, Senior Pay, Executive Headteacher's Review Board and Education Strategy Advisory Group (currently dormant). Each Committee has its own agreed terms of reference and delegated responsibilities.

In addition, there were Local Governing Bodies at each school fulfilling an advisory function to the Trust Board regarding Student Learning and Welfare. A Local Governing Body Admissions Sub-Committee was also in operation covering both schools.



GOVERNANCE STATEMENT (continued)

For the Year Ended 31 August 2020

The Finance & Resources Committee: The Committee's purpose is to assist the Trust Board in ensuring sound management of the Academy Trust's finances and resources including proper planning, probity and risk management. The Committee also maintains strategic oversight of matters relating to premises, health and safety, capital projects and longer term strategic planning for both school sites. The Committee fulfils its monitoring and advisory role by a more detailed consideration of both schools' financial health, financial exposure to risk and accounting compliance than is possible for the full Trust Board. In particular, consideration of budgets, including the implications of the National Funding Formula, rigorous monitoring against plan and ensuring both schools continues to achieve value for money has been important where resources remain very tight. The Committee has also focussed on priorities for both school sites and the development of a Strategic Estate Plan.

Membership of the Finance & Resources Committee includes trustees and local governors with financial, business and professional skills. The Committee has met formally six times during the academic year. Attendance at meetings in the past year was as follows:

Trustee/Local Governor	Meetings Attended	Out of a possible
Mr Ben Bartlett (T)	5	6
Mr David Bateman (T)	6	6
Mr Peter Drysdale (LG)	6	6
Mr Robert Mutchell (T)	6	6
Mr Andy Sellers (T)	6	6

The Human Resources Committee: The Committee maintains a strategic oversight of matters relating to human resources within HWLP.

Early in the academic year, the Committee continued to monitor the annual appraisal system to ensure there was a robust process in place prior to approving recommendations for performance related pay for teaching and associate staff. The Committee has continued its focus on recruitment and retention of staff and continues to support efforts to improve the wellbeing of staff.

Due to school closure, the Committee only met once during 2019-20 as governance covering urgent and time-bound business only was covered by the Trust Board and the Finance & Resources Committee. Attendance was as follows:

Trustee/Local Governor	Meetings Attended	Out of a possible
Miss Claudette Atkinson (T)	1	1
Mr Ben Bartlett (T)	1	1
Mrs Kath Bennett (T)	1	1
Mr Paul Camp (LG)	1	1
Mr Ben Raybould (T)	1	1
Mr Marc Weedon (T)	1	1
Mr Nick Weston-Jones (LG)	1	1
Miss Lucy Richardson (LG)	0	1



GOVERNANCE STATEMENT (continued)

For the Year Ended 31 August 2020

The Senior Pay Committee and Executive Headteacher's Review Board: The Senior Pay Committee met twice during the academic year and was responsible for setting and reviewing the pay of the Executive Headteacher in line with recommendations received from the Executive Headteacher's Review Board. The Senior Pay Committee also set and reviewed pay for the Senior Leadership Team following recommendations received from the Executive Headteacher.

Attendance at Senior Pay Committee meetings in the past year was as follows:

Trustee	Meetings Attended	Out of a possible
Miss Claudette Atkinson	1	2
Mr Andy Sellers	1	2
Mr Robert Mutchell	2	2
Mr Marc Weedon	2	2

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 school; to evaluate the likelihood of those risks being realised and the impact should they occur; and to manage them efficiently, effectively and economically. The system of internal control has been in place for the sixth year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Value for Money

As Accounting Officer, the Headteacher 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 education and wider societal outcomes achieved 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 Trust Board. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

(i) Educational Outcomes

Continued improvement in educational outcomes. HWS is a high achieving school, as evidenced above, in relation to its exam results. HWPS has the potential to be a high achieving school and within the short time that it has been a member of the Trust, much essential work has been carried out in restructuring the teaching staff.

(ii) Pupil Premium (PP) and SEN Students (Disadvantaged Learners)

Although there is a gap between the performance of our disadvantaged learners and our non-disadvantaged learners, the levels of progress made in English and Maths by our disadvantaged learners (at HWS in particular) are significantly above the national



GOVERNANCE STATEMENT (continued)

For the Year Ended 31 August 2020

average. We have also focused further on ensuring that the system for financially supporting individual PP students in connection with trips, curriculum materials, uniform and IT equipment and access is properly embedded within the ethos of both schools.

(iii) Use of Resources - Budgeting and Planning

The Trust necessarily manages its finances very tightly, which involves the following:

- 3-year budget forecasts
- Detailed current year budget, with monthly profiles
- Close monthly monitoring of all budgets versus actual outcomes
- A tight staffing model
- Production of monthly management reports and updated projected outturns (as the year progresses).
- Action plans if budget outcomes are not going to be met

(iv) Other Income

The Academy Trust generates essential "other income" which, net of associated costs typically is about 3% of our pure GAG funding. Ordinarily we generate surpluses of about £80k p.a. from catering activities and £60k p.a. from Lettings. Both suffered as a consequence of the lockdown this year but fortunately the effect was offset by reduced curriculum expenditure.

(v) Role of Responsible Individual (RI)

The RI provided the Finance and Resources Committee with a report setting out several areas of scrutiny. This included his findings regarding scrutiny of the payroll reports, produced by a third party payroll bureau, which were successfully reconciled back to the data held on our finance system. Similarly, scrutiny of the bank reconciliations was carried out and all was found to be in order.

(vi) Governance

The Finance & Resources Committee is charged by the Trust Board with monitoring and challenging the use of resources and its membership includes accountants, finance directors and business people.

(vii) Benchmarking

Periodic benchmarking with other comparable local schools / academies and detailed work with some other bursars during the year confirmed that we keep our finances on a tight rein.

(viii) Teaching Staff Model

The schools run a tight teaching staff model which is used by the Executive Headteacher as part of recruitment decisions. HWS has a pupil / teacher ratio of approximately 17 to 1. At HWPS it is approximately 24 to 1.

(ix) Associate Staff Costs

The schools' expenditure on support staff is highly targeted given budgetary restraints. It reflects the fact that we have transferred more responsibilities to those staff than in many schools where support and administrative tasks are undertaken by teachers.



GOVERNANCE STATEMENT (continued)

For the Year Ended 31 August 2020

(x) Facilities

The condition of our premises – the major part of which was built in the 1930's – is very good. We undertake preventative maintenance to an overall plan.

(xi) Energy

We negotiate energy prices (and providers) carefully, using competitive bids via at least 3 brokers.

(xii) Suppliers / Contractors

We work to an expectation that cost reduction is a standard part of dealing with suppliers – both revenue and capital. We have a select group of contractors that we trust and who consistently provide good value for money. Larger projects are subject to competitive tender.

Capacity to Handle Risk

The Trust Board has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that are in place to mitigate those risks. The Trust Board is of the view that the Risk Register offers a formal framework for identifying, evaluating and managing the Academy Trust's significant risks that was in place for the year ended 31 August 2020 and up to the date of the approval of the annual report and financial statements. This process is reviewed annually by the Trust Board.

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 Trust Board;
- Regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Trust Board has chosen not to appoint an internal auditor. Instead, the Trustees have appointed Mr Peter Drysdale, a Local Governor, as Responsible Individual (RI). As detailed above, the RI performs a role of internal scrutiny, carrying out a range of checks on the Academy Trust's financial systems, controls and procedures. The findings are presented each year to the Finance and Resources Committee.



GOVERNANCE STATEMENT (continued)

For the Year Ended 31 August 2020

The Risk and Control Framework (continued)

The role includes reviewing any recommendations resulting from these checks; attending Finance & Resources Committee meetings; giving advice on financial matters; and reporting annually to the Trust Board on the operation of the systems of control and the discharge of the Trust Board's financial responsibilities.

This process has been in operation successfully during the period up to the approval of these financial statements. There were no material internal control failures reported to the Trust Board.

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control.

During the period in question the review has been informed by the work of the: Responsible Trustee; external auditor; executive managers within the school who have responsibility for the development and maintenance of the internal control framework.

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

Review of Governance Structure

As outlined in the Trustees' Report, the Trust Board undertook a full review of their governance structure during the Multi-Academy Trust conversion process.

Review of Governance

In 2011 Ofsted judged the quality of leadership of the previous Governing Board to be outstanding. The Trust Board continues to review their effectiveness via ongoing self-evaluation but this has been limited this year both by the COVID-19 Pandemic and the need to focus on urgent time-bound business only during closure and partial re-opening in June/July 2020.

To ensure that the Trust Board meets its statutory responsibilities, annual schemes of work were developed for the Trust Board and regular Committees covering Finance & Resources, Human Resources, Local Governing Bodies and Sub-Committees.

The impact and effectiveness of the Trust Board were further illustrated by the following:

- All Members, Trustees and Local Governors from both schools attended an Annual Conference in February 2020 by way of an introduction and welcome to HWLP. The programme included: Ofsted Framework; Child Protection and Safeguarding Training and a full update on HWLP.
- Individual Trustees and local governors were appointed to review and monitor focus areas such as: Health & Safety; SEND; Cullum Centre; Data Analysis; Compliance with Data Protection Act 2018 and reports were provided to the Trust Board or Local Governing Body as relevant.



GOVERNANCE STATEMENT (continued)

For the Year Ended 31 August 2020

Review of Governance (continued)

- Safeguarding & Child Protection Trustee and Safeguarding Local Governors appointed who held monitoring meetings with the Designated Safeguarding Leads and provided reports to the Trust Board and Local Governing Bodies.
- Skills Audit conducted for all Trustees and local governors to identify gaps and inform future recruitment.
- Within the Committee structure, focused visits to school were restricted during 2019/20 due to COVID-19 but some limited visits were conducted and reported during the early part of the year.
- Evaluation of data (examination results, targets, Analysing School Performance, Ofsted and FFT Data Dashboards) at Trust Board meetings with follow up analysis at Local Governing Body meetings as required.
- Individual Trustees and Local Governors completed training on: Hot Topics for Governors; Online Safer Recruitment; SaFe Covid-19 Webinars for Surrey Governors; Financial Benchmarking; Academies Financial Handbook – What Trustees Need to Know; SEND; Effective MAT Governance; Governance Safeguarding in 2020.
- The Co-Chairs of Trustees attended Surrey School Governors Partnership Meetings. The Clerk to Trustees and Clerk to Local Governors attended termly Academy Clerks Briefings and completed training covering: Hot Topics for Governors, Governance during COVID-19; Conducting Virtual Meetings; Effectiveness Governance of Pupil Premium; Ofsted; Data Protection/Subject Access Requests for MATs; Admissions Appeals.
- Annual review of committee structure, membership and terms of reference to ensure fit for purpose.
- Full compliance with reporting/return requirements of Companies House, ESFA, HMRC and Charity Commission met jointly by Clerk and Director of Finance.

Prior to school closure on 20 March 2020 due to COVID-19, Trustees and Local Governors continued to visit both schools and attended a range of events including Open Evenings and Mornings; New Parents Information Evenings; Sports Award Evening; Christmas Concert; Christmas Plays; Spring Concert.

Approved by order of the members of the Trust Board on 9 December 2020 and signed on its behalf by:

Claudette Atkinson
Co-Chair of Trustees



Andy Sellers
Co-Chair of Trustees



Ben Bartlett
Accounting Officer





STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Hinchley Wood Learning Partnership, I have considered my responsibility to notify the Academy Trust Board and the Education & Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 Board, 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 Trust Board and the ESFA.

A handwritten signature in black ink, appearing to read 'Ben N. Bartlett'.

Ben Bartlett
Accounting Officer
9 December 2020





STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that Hinchley Wood Learning Partnership will continue in business.

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

The Trustees are responsible for ensuring that the conduct and operation of Hinchley Wood Learning Partnership applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information of Hinchley Wood Learning Partnership, which is included on Hinchley Wood School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Trust Board on 9 December 2020 and signed on its behalf by:

Claudette Atkinson
Co-Chair of Trustees



Andy Sellers
Co-Chair of Trustees





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HINCHLEY WOOD LEARNING PARTNERSHIP

Opinion

We have audited the financial statements of Hinchley Wood Learning Partnership for the year ended 31 August 2020 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 27, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HINCHLEY WOOD LEARNING PARTNERSHIP

- accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (which incorporates the strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (which incorporates the strategic report and the directors' report included within the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
23 December 2020

10 Queen Street Place
London
EC4R 1AG



INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TRUST BOARD OF HINCHEY WOOD LEARNING PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hinchley Wood Learning Partnership during the period from 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 Hinchley Wood Learning Partnership and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hinchley Wood Learning Partnership and the 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 Hinchley Wood Learning Partnership and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective Responsibilities of Hinchley Wood Learning Partnership's Accounting Officer and the Reporting Accountants

The accounting officer is responsible, under the requirements of Hinchley Wood Learning Partnership's funding agreement, dated 25 June 2019, as amended, with the Secretary of State for Education 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 the 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.

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims and credit card transactions.
- Review of minutes, bank certificates and related party declarations provided by Trustees and senior management.



**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE TRUST BOARD OF HINCHEY WOOD LEARNING
PARTNERSHIP AND THE EDUCATION FUNDING AGENCY (continued)**

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 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haysmacintyre LLP

Haysmacintyre LLP
Reporting Accountants

10 Queen Street Place
London
EC4R 1AG

23 December 2020



STATEMENT OF FINANCIAL ACTIVITIES

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

For the year ended 31 August 2020

	Notes	Unrestricted Fund £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2020 £'000	Total 2019 £'000
Income						
Donations and capital grants	2	-	-	239	239	255
Transfer from local authority on conversion	29	369	(359)	15,675	15,685	-
Charitable activities						
Funding for the academy trust's educational operations	3	964	9,980	-	10,944	7,691
Income from other trading activities	4	139	-	-	139	196
Investment income	5	2	-	-	2	2
Total		1,474	9,621	15,914	27,009	8,144
Expenditure						
Raising funds	8	1,066	-	-	1,066	838
Charitable activities						
Academy trust's Educational operations	7	-	10,057	823	10,880	7,852
Total		1,066	10,057	823	11,946	8,690
Net income / (expenditure)		408	(436)	15,091	15,063	(546)
Gross transfers between funds	18	(110)	(387)	497	-	-
Net income / (expenditure) for the year		298	(823)	15,588	15,063	(546)
Other recognised gains and losses						
Actuarial gains on defined benefits pension schemes	27	-	(420)	-	(420)	(812)
Net movement in funds		298	(1,243)	15,588	14,643	(1,358)
Total funds brought forward at 1 September 2019		253	(3,077)	17,794	14,970	16,328
Total funds carried forward at 31 August 2020		551	(4,320)	33,382	29,613	14,970

All of the Academy's activities derive from continuing operations during the financial year.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The Notes to Financial Statements form part of these accounts.



Hinchley Wood Learning Partnership (A Company Limited by Guarantee)
Annual Report and Financial Statements - Year Ended 31 August 2020

BALANCE SHEET

As at 31 August 2020

Registered Company No: 07886416

	Notes	2020 £'000	£'000	2019 £'000	£'000
Fixed assets					
Tangible assets	14		33,040		17,614
Intangible assets	13		2		3
Current assets					
Stock	15	8		6	
Debtors	16	413		449	
Cash at bank and in hand		1,663		1,159	
		<u>2,084</u>		<u>1,614</u>	
Liabilities					
Creditors: amounts falling due within one year	17	(1,026)		(1,062)	
Net current assets			1,058		552
Creditors amounts falling due beyond one year	17		(55)		(70)
Net assets excluding pension liability			34,045		18,099
Pension scheme liability	27		(4,432)		(3,129)
Net assets including pension liability			<u>29,613</u>		<u>14,970</u>
Funds of the academy:-					
Restricted funds					
Fixed asset fund	18		33,382		17,794
General fund	18		107		34
Bursary fund	18		5		18
Pension reserve	18		(4,432)		(3,129)
Total restricted funds			<u>29,062</u>		<u>14,717</u>
Unrestricted funds					
General fund	18		551		253
Total unrestricted funds			<u>551</u>		<u>253</u>
Total funds			<u>29,613</u>		<u>14,970</u>

The Notes to Financial Statements form part of these accounts.

The financial statements were approved and authorised for issue by the Trustees on 9 December 2020 and signed on their behalf by:

Claudette Atkinson (Co-Chair of Trustees)

Andy Sellers (Co-Chair of Trustees)



STATEMENT OF CASH FLOWS

For the year ended 31 August 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash provided by operating activities	22	836	29
Cash flows from investing activities	23	(332)	(305)
Change in cash and cash equivalents in the year		504	(276)
Cash and cash equivalents at 1 September 2019		1,159	1,435
Cash and cash equivalents at 31 August 2020	24	1,663	1,159
Reconciliation of net debt	01/09/2019	Cashflows	31/08/2020
	£'000	£'000	£'000
Cash at bank and in hand	1,159	504	1,663
Loans	(85)	15	(70)
	1,074	519	1,593

All of the cash flows are derived from continuing operations in the current financial year.

The Notes to Financial Statements form part of these accounts.



NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 August 2020

1. STATEMENT OF ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements 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 United Kingdom 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by the EFA, the Charities Act 2011 and the Companies Act 2006. The functional currency of the financial statements is sterling.

Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy 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 financial statements.

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 with sufficient reliability.

Grants - Grants are included in the Statement of Financial Activities (SOFA) when receivable. Grants (including General Annual Grant) relating to the accounting period but not received in the period are recorded as a debtor and shown in the appropriate fund on the balance sheet. Capital grants are recognised when receivable and are not deferred over the life of the asset they were expended on.

Donations - Donations are recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

Donated services and gifts in kind - The value of donated services and gifts in kind provided to the Academy will be recognised as income in the period in which they are receivable, and accounted for at their open market value where the benefit to the Academy Trust can be reliably measured. An equivalent amount will be included as expenditure under the relevant heading in the SOFA, except where the gift in kind is a fixed asset in which case the amount will be included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

Deferred income or income receivable - Where income is received in advance of entitlement of receipt its recognition will be deferred and included in creditors as deferred income. Where entitlement occurs before the related cash or resource is received, the income will be shown as a debtor in the balance sheet.

Other income - Other income will be recognised in the period it is receivable.

Income from activities - Income from activities will be recognised in the period in which the underlying economic event occurs.

Interest receivable - Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

Investment income - Investment income is recognised in the period it is receivable.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Expenditure - Normally expenditure will be taken in the period in which a liability is incurred.

The exceptions are:

- Expenditure specifically relating to income which are treated as deferred income or income receivable will be taken in the same period as the income is recognised.
- Expenditure specifically relating to activities will be taken in the period that the related income from activities is recognised and will until that time be treated as a prepayment. An estimate of non-specific overheads such as administrative salaries will be charged.

Costs of raising funds - These are costs incurred attracting voluntary income and managing investment income. An annual estimate of the cost of administrative salaries relating to these areas is made.

Charitable activities - These are costs incurred on the Academy Trust's educational operations.

Governance Costs - Included within the governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include the cost of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

Tangible fixed assets - Freehold Land and Buildings are carried at historical cost on the basis of continuing use and based on the depreciated replacement cost method with the special assumption of instant rebuild.

Assets (or groups of assets e.g. computing equipment) costing £2,500 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 so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Freehold buildings	2%
Buildings and facilities improvements	10%
Fixtures and equipment	25%
ICT equipment	25%
Motor vehicles	25%

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.

Leased assets - Rentals under operating leases are charged on a straight line basis over the lease term.

Stock - Catering stocks are valued at the lower of cost and net realisable value.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

1. STATEMENT OF ACCOUNTING POLICIES (continued)

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.

Financial Instruments – The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

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

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

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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

The 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 quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is a multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

1. STATEMENT OF ACCOUNTING POLICIES (continued)

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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 for specific capital purposes imposed by the Education and Skills Funding Agency and other donors where the asset acquired or created is for a specific purpose.

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

Conversion to an Academy Trust - The conversion from a state maintained school into the academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below. The assets and liabilities transferred on conversion from Hinchley Wood Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 29.

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

2. DONATIONS AND CAPITAL GRANTS	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Capital Grants	-	39	39	97
Capital donation – Development Fund	-	111	111	106
Other donations	-	-	-	22
Capital donations – Other	-	89	89	30
	-	239	239	255
The trust was awarded a grant of £31k (2019: £15K) from Elmbridge Borough Council towards the cost of installation of a pirate ship. The grant was awarded out of funds generated via the Community Infrastructure Levy ("CIL), a levy applied to commercial and residential developments in Elmbridge.				
3. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
DfE/ESFA grants				
General Annual Grant (GAG)	-	8,375	8,375	6,054
Other DfE/ESFA grants	-	713	713	153
Pupil Premiums & Year 7 catch up	-	165	165	114
Student bursary grant	-	17	17	15
	-	9,270	9,270	6,336
Other Government revenue grants				
Special education needs	-	214	214	99
High Needs	-	345	345	278
Other	-	113	113	81
	-	672	672	458
Exceptional Government funding				
Coronavirus job retention scheme grant	-	25	25	-
Coronavirus exceptional support	-	13	13	-
	-	38	38	-
Other Income from the academy trust's educational operations				
Catering for HWS	396	-	396	472
School trips contributions	429	-	429	416
Music tuition	3	-	3	9
Wraparound Care	136	-	136	-
	964	-	964	897
	964	9,980	10,944	7,691



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

3. FUNDING FOR ACADEMY TRUST'S

EDUCATIONAL OPERATIONS (continued)

The Academy Trust was 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 £13k of equipment and cleaning material costs. These costs are included in notes 7 and 8 below as appropriate.

The academy furloughed some of its wraparound care staff under the government's CJRS. The funding received of £25k relates to staff costs in respect of 14 staff, which are included within note 9 below as appropriate

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	53	-	53	76
Other activities	86	-	86	120
	<u>139</u>	<u>-</u>	<u>139</u>	<u>196</u>

5. INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Short term bank deposits	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

6. EXPENDITURE

	Staff Costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Expenditure on raising funds					
- Direct costs	279	-	730	1,009	780
- Allocated support costs	44	12	1	57	58
	<u>323</u>	<u>12</u>	<u>731</u>	<u>1,066</u>	<u>838</u>
Academy's educational operations					
- Direct costs	7,417	823	612	8,852	6,336
- Allocated support costs	1,356	417	255	2,028	1,516
	<u>8,773</u>	<u>1,240</u>	<u>867</u>	<u>10,880</u>	<u>7,852</u>
	<u>9,096</u>	<u>1,252</u>	<u>1,598</u>	<u>11,946</u>	<u>8,690</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Depreciation	823	597
Fees payable to auditor for:		
audit	14	12
other services	2	2



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

6. EXPENDITURE (continued)

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000	
		Amount £	Reason/nature
Gifts made by the trust		805	-
Fixed asset losses		-	-

7. COST OF CHARITABLE ACTIVITIES - Academy's educational operations	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Teaching and educational support staff costs	-	7,399	7,399	5,209
Apprenticeship Levy	-	18	18	10
Staff development	-	29	29	30
Educational supplies	-	371	371	310
Examination fees	-	110	110	108
IT supplies	-	102	102	72
Depreciation	-	823	823	597
	-	8,852	8,852	6,336
Allocation support costs				
Support staff costs	-	1,356	1,356	1,103
Recruitment and support	-	43	43	31
Maintenance of premises and equipment	-	196	196	141
Cleaning materials	-	22	22	7
Cleaning contract	-	28	28	-
Energy and water	-	110	110	77
Rent and rates	-	55	55	47
Security and transport	-	6	6	6
Insurance	-	34	34	26
Support costs - Technology	-	13	13	18
Bank interest and charges	-	14	14	16
Other support costs	-	118	118	30
Governance Costs	-	33	33	14
	-	2,028	2,028	1,516
	-	10,880	10,880	7,852



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

8. COST OF RAISING FUNDS	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Catering staff costs	143	-	143	128
Catering supplies	305	-	305	237
Educational supplies	-	-	-	22
Expenditure on activities	390	-	390	393
Wraparound Care staff costs	136	-	136	-
Wraparound Care expenditure	35	-	35	-
	<u>1,009</u>	<u>-</u>	<u>1,009</u>	<u>780</u>
Allocation support costs				
Support staff costs	44	-	44	45
Maintenance of premises and equipment	12	-	12	12
Other support costs	1	-	1	1
	<u>57</u>	<u>-</u>	<u>57</u>	<u>58</u>
	<u><u>1,066</u></u>	<u><u>-</u></u>	<u><u>1,066</u></u>	<u><u>838</u></u>

9. STAFF COSTS	2020 £'000	2019 £'000
Staff costs during the year were:		
Wages and salary costs	6,509	4,910
Social Security costs	591	467
Pensions costs	1,382	780
Pension Scheme – operating costs	524	283
	<u>9,006</u>	<u>6,440</u>
Agency staff costs	90	55
Staff restructuring costs	-	-
	<u><u>9,096</u></u>	<u><u>6,495</u></u>



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

9. STAFF COSTS (continued)

The average number of persons (including senior management) employed by the Academy Trust during the year was as follows:

	2020	2019
	No.	No.
Management (including 14 teachers)	15	8
Teachers (excluding management above)	101	78
Education support	79	40
Administration, premises, catering and other support	58	50
	<u>253</u>	<u>176</u>

The average number of persons (including senior management) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2020	2019
	No.	No.
Management (including 14 teachers)	15	8
Teachers (excluding management above)	88	67
Education support	57	31
Administration, premises, catering and other support	46	39
	<u>206</u>	<u>145</u>

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

	2020	2019
£60,001 to £70,000	2	2
£70,001 to £80,000	-	3
£80,001 to £90,000	3	-
£90,001 to £100,000	-	-
£100,001 to £110,000	-	-
£110,001 to £120,000	1	1
	<u>6</u>	<u>6</u>

Five of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, pension contributions for these staff amounted to £98K (2019: £65K).

None of the above employees participated in the Local Government Pension Scheme.

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,351k (2019: £859K).

10. RELATED PARTY TRANSACTIONS – Trustees and Staff Trustees remuneration and expenses

The Headteacher and Staff Trustees only receive remuneration in respect of services they provide undertaking their respective school roles and not in respect of their services as governors. Other governors did not receive any payments, including expenses, from the Academy in respect of their role as governors.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

10. RELATED PARTY TRANSACTIONS – Trustees and Staff Governors remuneration and expenses (continued)

The value of Governors remuneration was as follows:

	2020	2019
Ben Bartlett - remuneration	£115,000 - £120,000	£110,000 - £115,000
Employer's pension contribution	£25,000 - £30,000	£15,000 - £20,000
Stuart Holmes - remuneration	-	£1,000 - £5,000
Employer's pension contribution	-	£0 - £1,000
Tim Smytheman - remuneration	£45,000 - £50,000	£45,000 - £50,000
Employer's pension contribution	£10,000 - £15,000	£5,000 - £10,000
Caroline Whitehouse - remuneration	£35,000 - £40,000	£30,000 - £35,000
Employer's pension contribution	£10,000 - £15,000	£5,000 - £10,000
Seanne Wilmot- remuneration (from October 2019)	£45,000 - £50,000	-
Employer's pension contribution	£10,000 - £15,000	-
Ian Martin- remuneration (from October 2019)	£35,000 - £40,000	-
Employer's pension contribution	£5,000 - £10,000	-

No staff governor was paid for their role as a governor. During the year ended 31 August 2020, travel and subsistence expenses totalling Nil (2019: Nil) were reimbursed to trustees.

Other related party transactions involving the trustees are set out in note 28.

11. GOVERNORS AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees / Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10 million for any one claim and the cost for the year ended 31 August 2020 was an estimated £240 (2019: £219).

The cost of this insurance is included in the total insurance cost.

12. Central Services

No central services were provided by the Academy Trust to its schools during the period and no central charges arose.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

13. INTANGIBLE FIXED ASSETS

	Computer Software £'000	Total £'000
Cost		
At 1 September 2019	7	7
Additions	-	-
	<u>7</u>	<u>7</u>
At 31 August 2020	7	7
Amortisation		
At 1 September 2019	4	4
Charged in year	1	1
	<u>5</u>	<u>5</u>
At 31 August 2020	5	5
Carrying Amount		
At 31 August 2019	3	3
	<u>3</u>	<u>3</u>
At 31 August 2020	2	2
	<u>2</u>	<u>2</u>

14. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Building & Facilities Improvement	Furniture & Equipment	ICT Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2019	18,313	822	1,094	443	20,672
Additions	-	298	259	66	623
Transfers	15,625	-	-	-	15,625
	<u>33,938</u>	<u>1,120</u>	<u>1,353</u>	<u>509</u>	<u>36,920</u>
At 31 August 2020	33,938	1,120	1,353	509	36,920
Depreciation					
At 1 September 2019	1,885	306	651	216	3,058
Charged in year	431	88	221	82	822
	<u>2,316</u>	<u>394</u>	<u>872</u>	<u>298</u>	<u>3,880</u>
At 31 August 2020	2,316	394	872	298	3,880
Net Book Value					
At 31 August 2019	16,428	516	443	227	17,614
	<u>16,428</u>	<u>516</u>	<u>443</u>	<u>227</u>	<u>17,614</u>
At 31 August 2020	31,622	726	481	211	33,040
	<u>31,622</u>	<u>726</u>	<u>481</u>	<u>211</u>	<u>33,040</u>



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

15. STOCK	2020	2019
	£'000	£'000
Catering stocks	8	6
	<u>8</u>	<u>6</u>
	16. DEBTORS	2019
	2020	£'000
	£'000	
Trade debtors	4	25
VAT recoverable	83	70
Prepayments and accrued income	326	354
	<u>413</u>	<u>449</u>
	17. CREDITORS: amounts falling due within one year	2019
	2020	£'000
	£'000	
Trade creditors	157	166
PAYE and NIC creditor	145	117
Loans	15	15
Other creditors	250	216
Accruals and deferred income	459	548
	<u>1,026</u>	<u>1,062</u>
	CREDITORS: amounts falling due after one year	
Loans	55	70
	<u>55</u>	<u>70</u>
	Deferred income (included in Creditors above falling due within one year and after one year)	2019
	2020	£'000
	£'000	
Deferred income at 31 August 2019	442	339
Resources released in the year	(442)	(339)
Resources deferred in the year	312	442
	<u>312</u>	<u>442</u>
Deferred income at 31 August 2020	<u>312</u>	<u>442</u>

Included within Creditors are two Salix loans with an outstanding balance of £46K and £70k respectively, which were obtained on the following terms:

- (i) An initial maturity of 8 years, and
- (ii) Interest free



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

**17. CREDITORS: amounts falling due
within one year (continued)**

Held as custodian on behalf of other entities (included in Other Creditors above)	2020 £'000	2019 £'000
Hinchley Wood School Development Fund	7	13
Elmbridge 14-19 Consortium	81	106
	<u>88</u>	<u>119</u>

Note 25 sets out the custodial relationship with the above entities.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

18. FUNDS

	Balance at 1 Sept 2019 £'000	Income £'000	Expenditure £'000	Gains, Losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted Funds					
Restricted fixed assets fund	17,794	15,914	(823)	497	33,382
Restricted general fund					
Educational funding and expenditure	34	9,963	(9,503)	(387)	107
Restricted bursary fund	18	17	(30)	-	5
Restricted pension fund	(3,129)	(359)	(524)	(420)	(4,432)
Total Restricted General Funds	(3,077)	9,621	(10,057)	(807)	(4,320)
Total Restricted Funds	14,717	25,535	(10,880)	(310)	29,062
Unrestricted Fund	253	1,474	(1,066)	(110)	551
Total Unrestricted Funds	253	1,474	(1,066)	(110)	551
Total Funds	14,970	27,009	(11,946)	(420)	29,613

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

Restricted Fixed Asset Fund: This fund is for income and grants which contribute towards the purchase of fixed assets, and their related depreciation.

Restricted General Fund: This fund is for income and grants from the DfE and other government related agencies and the expenditure relating to the education of students within the school. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of surplus funding that it could carry forward at 31 August 2020.

Restricted Bursary Fund: This fund relates to bursaries given to sixth form students.

Restricted Pension Fund: This fund relates to the fund deficit on the Local Government Pension Scheme which covers a number of the school's non-teaching staff.

Unrestricted Fund: This fund relates to activities undertaken by the school which are in addition to those covered by the funds above. £110K (2019: £301K) was transferred from the Unrestricted Fund to the Restricted Fixed Asset Fund.



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 Sept 2018 £'000	Income £'000	Expenditure £'000	Gains, Losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted Funds					
Restricted fixed assets fund	17,857	233	(597)	301	17,794
Restricted general fund					
Educational funding and expenditure	34	6,779	(6,951)	172	34
Restricted bursary fund	24	15	(21)	-	18
Restricted pension fund	(2,034)	-	(283)	(812)	(3,129)
Total Restricted General Funds	(1,976)	6,794	(7,255)	(640)	(3,077)
Total Restricted Funds	15,881	7,027	(7,852)	(339)	14,717
Unrestricted Fund	447	1,117	(838)	(473)	253
Total Unrestricted Funds	447	1,117	(838)	(473)	253
Total Funds	16,328	8,144	(8,690)	(812)	14,970

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £'000	2019 £'000
Hinchley Wood School	293	305
Hinchley Wood Primary School	370	-
Total before fixed assets and pension reserve	663	305
Restricted fixed asset fund	33,382	17,794
Pension reserve	(4,432)	(3,129)
Total	29,613	14,790



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

18. FUNDS (continued)

	Teaching and Educational Support Staff £'000	Other Support Staff costs £'000	Educational Supplies £'000	Other costs (excluding Depreciation) £'000	2019/20 Total £'000	2018/19 total £'000
Hinchley Wood School	5,742	1,355	72	686	8,495	8,093
Hinchley Wood Primary School	1,676	323	19	470	2,628	-
Academy Trust	7,418	1,678	871	1,156	11,123	8,093

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Assets Funds £'000	2020 Total Funds £'000
Tangible fixed assets	-	-	33,040	33,040
Intangible fixed assets	-	-	2	2
Current assets	705	938	441	2,084
Total liabilities	(154)	(826)	(101)	(1,081)
Pension scheme liability	-	(4,432)	-	(4,432)
Total net assets	551	(4,320)	33,382	29,613

Comparative information in respect of the preceding period is:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Assets Funds £'000	2019 Total Funds £'000
Tangible fixed assets	-	-	17,614	17,614
Intangible fixed assets	-	-	3	3
Current assets	651	673	290	1,614
Total liabilities	(398)	(623)	(111)	(1,132)
Pension scheme liability	-	(3,129)	-	(3,129)
Total net assets	253	(3,079)	17,796	14,970



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

20. CAPITAL COMMITMENTS	2020	2019
	£'000	£'000
Contracted for, but not provided in the financial statements	-	-

21. COMMITMENTS UNDER OPERATING LEASES

Operating leases

At 31 August 2020 the Academy had no annual commitments for operating leases

22. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2020	2019
	£'000	£'000
Net income / (expenditure) as per SOFA	15,063	(546)
Amortisation (see note 13)	1	-
Depreciation (see note 14)	822	597
Capital income (see note 2)	(239)	(233)
Capital income on transfer	(15,675)	-
Interest received (note 5)	(2)	(2)
Defined benefit pension scheme cost less contributions (note 27)	458	224
Defined benefit pension scheme finance cost (note 27)	66	59
Defined benefit pension scheme obligation inherited	359	-
Increase in stocks	(2)	(2)
Decrease in debtors	36	(193)
Decrease in creditors – due within year	(36)	141
Decrease in creditors – due beyond year	(15)	(16)
Net cash provided by Operating Activities	836	29

23. CASH FLOWS FROM INVESTING ACTIVITIES	2020	2019
	£'000	£'000
Interest received	2	2
Purchase of fixed assets	(623)	(540)
Capital grants from DfE/EFA	39	97
Capital funding received from donors and others	250	136
Net cash provided by (used in) investing activities	(332)	(305)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Cash at 1 September	Cash at 31 August
	2019	2020
	£'000	£'000
Cash in hand and at bank	1,159	1,663



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

25. CONNECTED ORGANISATIONS FOR WHICH THE ACADEMY ACTS AS A CUSTODIAN AGENT

The school works closely with the following organisations:

Elmbridge 14-19 Consortium and its related Alternative Learning Project is a collaborative partnership of the secondary schools in Elmbridge to promote education for a number of Key Stage 4 students who struggle with the standard curriculum.

This group is not a legal entity but operates under a partnership management agreement which sets out that funds belong to the group as a whole and any surplus or deficit belongs to all members in agreed shares.

The school is a member of and provides accommodation and financial services for the Consortium.

Staff working for both organisations are employed by the Academy Trust. It is the view of Governors that the Academy Trust acts as an agent and custodian in this regard and the income and expenditure of the organisations is not shown gross in the Academy Trust's financial statements. The Academy Trust's balance sheet does include the assets and liabilities of the organisations with their net surplus is shown as a Creditor of the Academy Trust – see note 17 for details.

In the period Elmbridge 14-19 Consortium employed 1.9 (2019: 1.9) FTE staff and employments costs totalled £61K (2019: £91K).

The Hinchley Wood Education Trust was set up in September 2009 under the government's Trust School initiative. It evolved over time with a focus on supporting sporting excellence at the school. The balance of funds were transferred to the Hinchley Wood School Development Fund during 2019 and the Trust was dissolved in September 2019.

Hinchley Wood School Development Fund made a donation during the year to the Academy Trust of £111K (2019: 106K).

26. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while 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.

27. 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 Surrey County Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £117K (2019: £67K) were payable to the Teachers' Pension Scheme and £44K (2019: £29K) were payable to the LGPS at 31 August 2020 and are included within creditors.



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £971K (2019: £517K).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £532K (2019: £350K), of which employer's contributions totalled £425K (2019: £278K) and employees' contributions totalled £107K (2019: £72K). The agreed contribution rate for 2020/21 is 22.9% for employers and a range of 5.5% to 12.5% for employees.

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



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumption	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.2%	2.6%
Rate of increase for pensions in payment/inflation	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.8%
Inflation assumption (CPI)	2.4%	2.4%
Commutation of pensions to lump sums	25.0%	25.0%

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

	At 31 August 2020 Years	At 31 August 2019 Years
<i>Retiring today</i>		
Males	22.1	21.6
Females	24.3	23.6
<i>Retiring in 20 years</i>		
Males	22.9	22.5
Females	25.7	25.0

The Academy Trust's share of the assets in the scheme were:

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equities	3,408	2,895
Bonds	805	734
Property	379	326
Cash	142	122
Total market value of assets	4,734	4,077
Present value of scheme liabilities		
- Funded	(9,166)	(7,206)
Deficit in the scheme	(4,432)	(3,129)

The actual return on scheme assets was £244K (2019: £134K)



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Amounts recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	883	502
Net Interest cost	(66)	(59)
Total operating charge	817	443
Changes in the present value of defined benefit obligations were as follows	2020 £'000	2019 £'000
At 1 September 2019	7,206	5,607
Opening Hinchley Wood Primary School 1 October 2019	779	-
Current service cost	883	502
Interest cost	151	163
Employee contributions	107	72
Actuarial (gain) / loss	176	946
Benefit paid	(136)	(84)
At 31 August 2020	9,166	7,206
Changes in the fair value of academy's share of scheme assets	2020 £'000	2019 £'000
At 1 September 2019	4,077	3,573
Opening Hinchley Wood Primary School 1 October 2019	420	-
Interest income	85	104
Actuarial gain / (loss)	(244)	134
Employer contributions	425	278
Employee contributions	107	72
Benefit paid	(136)	(84)
At 31 August 2020	4,734	4,077

Sensitivity Analysis

The sensitivities regarding the principle assumptions used to measure the scheme liabilities are as below

As at 31 August 2020	Approx. % increase to employer liability	Approx. monetary amount £'000
0.5% decrease in Real Discount Rate	24%	1,006
0.5% increase in the Salary Increase Rate	2%	62
0.5% increase in the Pension Increase Rate	23%	927

28. RELATED PARTY TRANSACTIONS

No related party transactions took place during the year other than certain trustees remuneration and reimbursed expenses disclosed in Note 8. (2019: none)



Notes to the Financial Statements (continued)

For the Year Ended 31 August 2020

29. CONVERSION TO ACADEMY TRUST

On 1 October 2019 the Hinchley Wood Primary School joined the academy trust and all the operations and assets and liabilities were transferred to Hinchley Wood Learning Partnership from the Surrey County Council Local Authority for no consideration. The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion. The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets				
Leasehold land and buildings	-	-	15,625	15,625
Current assets				
Cash	369	-	50	419
LGPS pension deficit	-	(359)	-	(359)
Net Assets	<u>369</u>	<u>(359)</u>	<u>15,675</u>	<u>15,685</u>