

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of Trustees' responsibilities	18
Independent auditors' report on the financial statements	19 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities incorporating income and expenditure account	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27 - 66

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dr F Hammans P Lender-Swain D Roberts - Diocese of Salisbury Corporate Member R Marsh S McMurtie (resigned 1 July 2020)
Trustees	R Marsh (resigned 9 May 2020) ^{1,2} Dr N Capstick OBE, Chief Executive Officer ³ N Gibson, Chair ^{1,3} S Haynes (appointed 13 March 2020) ¹ M Laffey (appointed 1 September 2020) C Christie, Chair of LGBs (resigned 31 August 2020) C Hopton, Chair of Audit & Risk Committee ² C Macleod, Chair of People Committee & Pay and Remuneration Committee ^{4,5} N Van Zeller (resigned 21 October 2019) ^{1,5} J Norton, Chair of Teaching, Learning and Standards Committee (appointed 1 January 2019) ^{3,4,5} E Spurrier, Vice-Chair of Trustees and Chair of Finance Committee ¹ R Lewis (appointed 14 November 2019) ² L Nel (appointed 14 November 2019) ^{3,5} K Poulton (appointed 22 November 2019) ^{1,2} N Beckett (appointed 3 November 2020) ^{1,2} ¹ Finance Committee ² Audit and Risk Committee ³ Teaching, Learning & Standards Committee ⁴ Pay and Remuneration Committee ⁵ People Committee
Company registered number	08075785
Company name	The White Horse Federation
Principal and registered office	The White Horse Federation Plymouth Street Swindon SN1 2LB
Company secretary	S Bowler
Chief executive officer	N Capstick
Senior management team	N Capstick, Chief Executive Officer S Cowley, Executive Director Primary C Belli, Executive Director Secondary R Lewis, Director SMEH S Brimfield, Director for People I Jones, COO

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

Independent auditors Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Bankers Lloyds Bank
5 High Street
Swindon
SN1 3EN

Solicitors Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

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

As at the date of these Accounts, The White Horse Federation (TWHF) operated 24 Primary, 5 Secondary, 3 Special schools in Swindon Wiltshire, Gloucestershire, Oxfordshire and Berkshire. In addition, TWHF ran two primary Teaching Schools during the period. TWHF has a combined pupil capacity excluding Nursery of 13,381 and a roll of 12,012 at end of September 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

TWHF is a company limited by guarantee and an exempt charity. The current Articles of Association were adopted August 1st 2018 and reflect the mixed nature of TWHF following the on boarding of new schools which included 6 Church of England (CofE) primary schools. The Articles of Association reflect this structure of schools and to ensure governance oversight of CofE schools by the Salisbury Diocesan Board of Education.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2. N Capstick (Chief Executive Officer) is a Trustee.

Members' liability

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

Trade Union facility time

Relevant Union officials

Number of employees who were relevant union officials during year	2
Full Time equivalent employee number	0.6

Percentage of time spent on facility time

%	Number of Employees
0	-
1-50%	2
51-99%	-
100%	-

The amount of facility time spent as a percentage of the total pay bill is immaterial.

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Details of insurance cover is detailed in Note 14 to the Accounts.

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

TRUSTEE

Appointment of Trustees

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer (CEO). Subject to remaining eligible to be a particular type of Trustee, any Trustees may be re-appointed or re-elected. When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other necessary documents that they will need to undertake their role as Trustees.

TWHF's new Articles of Association have resulted in the designation of a number of Trustees as Foundation Trustees and a new Corporate Member, Dan Roberts, who represents the interests of the Salisbury Diocesan Board of Education.

GOVERNANCE

Governance of TWHF continued to evolve during the year with clear focus on long term planning, risk management and challenge as well as training of Local Boards of Governors. An audit of Trustees' skills and experience was carried out.

The Trust operates a number of sub-Committees that report into the Board – namely Risk & Audit, Teaching Learning and Standards, Pay & Remuneration, Finance and a People committee. The role of each sub-committee in monitoring risk management has been clarified with each sub-committee responsible for oversight of risks within its scope of activities. Reports and updates are provided to Risk and Audit committee from other sub committees as needed to enable it to monitor risk management across TWHF and report to the Board of Trustees. Following the skills audit new Trustees have been appointed to bring additional experience of school governance, finance, risk management, real estate and HR. All Trustees have been appointed to serve on at least one sub-committee.

The Board of Trustees meets a minimum of four times a year and normally includes a strategy away day although for the current year this was impacted by Covid restrictions. The Board establishes an overall framework for the governance of TWHF and determines membership, terms of reference and procedures of its sub-committees and working groups. It may receive written and verbal reports including policies from sub-committees for ratification. It monitors the activities of sub-committees through the minutes of their meetings. Working groups are established to perform specific tasks over a limited timescale. In addition to the formal meetings additional meetings are held to review specific projects and areas requiring strategic input as needed and to ensure the board are fully informed of key issues and challenges.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of TWHF and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the CEO and Clerk, to approve the Annual plan and budget.

The Trustees are also responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring performance and making major decisions about the direction of TWHF and staff appointments.

The Board of Trustees has devolved responsibility for day to day management to the CEO. The CEO implements the policies laid down by the Trustees and reports back to them on performance.

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

ORGANISATION STRUCTURE

The CEO works with the Senior Leadership Team (SLT). The SLT has evolved through the year and as at year end consisted of the CEO, Sector Directors for Primary, Secondary and SEMH, COO and HR Director. The SLT manages TWHF at an operational level, implementing the policies laid down by the Trustees. A Scheme of Delegation has been agreed with the Trustees.

The 32 schools within TWHF are managed across three main hubs of Swindon, Wiltshire and Oxford/Berkshire. Senior Directors for the key areas of Primary, Secondary and SEMH provide the necessary oversight and direction to the sectors. Central Services covering key functional areas are located in Swindon and support all areas of the Trust.

The CEO, COO and Chair of Finance Committee are responsible for the authorisation of spending within agreed budgets. Defined spending authorities are devolved to budget holders. The CEO and Sector Directors are responsible for the appointment of teaching and teaching support staff. The COO is responsible for appointing non-teaching support staff working closely with functional leads. Senior role appointments always include a Trustee on the interview panel.

At the date of the accounts TWHF comprised of the following schools

Primary Schools - Croft, Drove, Haydon Wick, Mountford Manor, Moredon, Rodbourne Cheney, Tregoze, Zouch, Gorse Hill, Southwold, West Kidlington, Southbroom, Gagle Brook, Larkhill, Grange Infants, Grange Juniors, St Mary All Saints, Bowerhill, Seend, Shaw, The Manor, St Mary's Broughton Gifford, St George's, Forest & Sandridge.

Secondary Schools - Ridgeway Secondary and Sixth Form College, Devizes Secondary and Sixth Form College, John Madejski Academy, Melksham Oak, Whitelands Academy.

Special Schools - Peak, Nyland, St Lukes.

During the period TWHF also operated two Primary focused Teaching Schools but these will cease to operate from 20/21. In addition during the year Gloucester Academy was transferred to Greenshaw Learning Trust

The CEO, Dr Nicholas Capstick OBE is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel of the Trust from an operational delivery and day to day perspective comprise Senior Leadership team of the TWHF, Academy leadership and functional area directors. The Trustees of the Board, who give their time freely and receive no remuneration, provide key strategic direction and challenge and support key management of the TWHF.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of TWHF. There are no sponsors or formal Parent Teacher Associations (PTA) associated with TWHF although PTAs exist in some of the schools within the Federation.

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

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

The Trust's preferred suppliers provide us with information technology, human resources, facilities management, catering and professional services. In deciding those preferred suppliers, we ensure that both national and local suppliers have equal opportunity to participate in the procurement process. We also oversee and take reasonable steps to ensure our suppliers comply with our standards, relating to modern slavery, data protection, environmental responsibility, human rights and ethics.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of TWHF is to operate as a Multi Academy Trust for the benefit of young people and to advance the performance, development, delivery and maximise progress and attainment in all schools operating within the Trust. To enable these objectives to be delivered the key aims of the Trust are to:

- Continue to raise the standard of educational attainment and achievement of all pupils.
- Provide a broad and balanced curriculum, including extracurricular activities
- Ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- Ensure Principals of school are focused on Teaching and Learning outcomes and not administration
- Provide value for money for the funds expended.
- Maintain close links with industry and commerce,
- Conduct TWHF business in accordance with the highest standards of integrity, probity and openness.

TWHF aims to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing TWHF aims and objectives and in planning its future activities. TWHF aims to advance for the public benefit education in Swindon, Wiltshire, Oxfordshire and Berkshire and the surrounding area.

STRATEGIC REPORT

Achievements and Performance

TWHF has a clear vision and growth strategy to develop mature hubs in the South West each including a mix of Secondary, Primary and Special schools. Key achievements in 2019/2020 are detailed below.

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

Primary Level

The year continued to see strong performance across the Primary sector. It should be noted that due to the closure of Primary schools as a result of Covid 19, commonly known as "lockdown", from March 23rd 2020 children at key testing points were not assessed and comparative data with similar schools and national norms is not possible. During this period it must be noted that a number of Primary schools remained open and provided key services for vulnerable children and children of key workers. By using Comparative Outcomes Methodology and comparing baseline on entry over time with the two data collection points preceding "lockdown" we can extrapolate that in all cases every school matched or exceeded the previous year's outcomes in all areas of the curriculum.

- Most Primary schools have continued to perform well and often above national averages in all areas with a slight improvement at KS2 being predicted for end of year outcomes.
- Phonics continues to be a strength in early years.
- New Principals in three schools have performed well and are beginning to make significant strides in improving their schools.
- Leadership development and succession planning continues to offer significant career advancement opportunities with two former Assistant Principals securing internal Headships with the WHF.
- A majority of Local Governing bodies are rated good by the independent consultant charged with improving Governance at TWHF.
- Online and blended learning in this sector were deemed to be of a high quality by peers and external agencies. Significant work was undertaken on development of the virtual learning environment and ensuring this was made available to all pupils while in lockdown. The success of our work was such that 13 other schools were offered access to our learning materials and resources. An unexpected success was the galvanising of our system leader networks for each curriculum area and all Key Stages.

Secondary level

As with Primary the Secondary sector also faced a similar closure from 23rd March 2020 with the "lockdown". As a result, students at key testing points, ie GCSE and A level, were not assessed through examination and comparative data with similar schools and national norms has not been published. In line with government guidance and direction schools were required to use Centre Assessed Grades (CAG) for each student which looked at statistical analysis using comparative data and trajectory to create a final grade for each exam group. By further using this data and combining it with Comparative Outcomes Methodology through comparing baseline on entry at Year 7 over time with the two data collection points preceding "lockdown" we can extrapolate the following key messages.

- The Ridgeway School nearly doubled its value added score for 19/20 going from +0.36 to +0.61 in one year.
- By using the CAG comparative methodology above Melksham Oak and JMA academies improved their outcomes for GCSE students compared to recent years in line with their school improvement journey.
- All schools improved their outcomes for most students but disadvantaged continues to be a significant focus still moving forward.
- By using the CAG comparative methodology above Devizes School showed a -0.1 decline in outcomes but still remains above comparative national averages for similar schools.
- Gloucester Academy was transferred to the sponsorship of GLT Academy Trust in May 2020.

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

The KS4 and KS5 data for our Secondary schools is detailed below using CAG reporting as a basis :

School	Notional A8 (Actual A8 for 2019)	Notional P8 (Actual P8 for 2019)	5+ English & Math	KS5 Notional L3 VA Academic	KS5 Notional L3 VA Vocational
National Data 2019 <i>(2020 not available)</i>	46.5	-0.03	43%	0.03	0.04
Devizes	46.0	0.2	47.0%	-0.23	0.45
JMA	41.3	-0.3	33.3%	0.35	0.22
Melksham Oak	43.5	-0.1	32.0%	0.15	-0.07
The Ridgeway	55.4	0.6	62.9%	0.31	-0.11

During the year, TWHF completed work on a number of projects secured via SCA capital grants and LA funding including

- Devizes roof replacement Phase 11 in certain areas and Fire Alarm replacement.
- Boiler replacements across a number of schools
- Development of enhanced facilities at St Lukes
- Further Investment in the Ridgeway school

FINANCIAL REVIEW

Key Performance Indicators

TWHF uses a number of key benchmarks to evaluate performance and drive budgetary control and monitoring. These include Pupil Teacher Ratio, Teacher to Support Staff Ratios, Average Salaries and Non Salary Spend ratios. Budget setting and monitoring has a clear focus on Integrated Curriculum Financial Planning (ICFP) and the Trust use the data to drive Year on Year performance and identify those schools in need of additional focus in order to ensure key benchmarks are targeted.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2019/20 were 12,012 an increase of 103 over 2018/19, as adjusted for the transfer of Gloucester Academy.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that TWHF has adequate resources to continue in operational existence for the foreseeable future. A number of steps are being taken to increase the reserve position with clear actions plans built into 2020/21. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Operational Finance Review

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

TWHF also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned. During the year TWHF recorded a deficit of £ (0.2)m driven by lower in year pupil funding than planned and investment in school improvement structures. The Covid lockdown period had an overall neutral impact in the year to August 31 with lower income, eg through lettings being offset by lower cost in operations.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

The table below identifies a summary of the underlying operational performance for TWHF ignoring the impact of pension adjustments and transfers in during the period.

Operational View

£'000s		2020	2019
Income in Period		71,598	72,228
Expenditure	Staff Costs	58,828	56,640
	Other	12,950	16,125
	Total	71,778	72,765
Operational management (loss) in period		- 180	537
Capital funds movement from current and prior year income streams		484	391
Total Surplus / (loss) including capital movements		304	146

At 31 August 2020 the net book value of fixed assets was £123.0m and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils.

Land, buildings and other assets were transferred from TWHF upon re-brokering of Gloucester Academy during the year. Land and buildings within these transfers on conversion were valued at £12.4m. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

TWHF has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities with details in Note 29 to the financial statements.

Reserves Policy

The Trustees review the reserve levels of TWHF with a detailed review at the Finance Committee. This review encompasses the nature of income and expenditure streams by regional location, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of TWHF, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have a policy to maintain free reserves at a level that represents one month's expenditure within the largest hub. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. As at the end of August 2020, while cash reserves remain strong the level of free reserves remains a concern and a number of steps are underway to address these levels in the coming years

The defined benefit pension scheme reserve has a negative balance driven by the Local Government Pension Scheme, which is underwritten by the Government. The effect of this deficit is that TWHF will be paying higher employers' pension contributions over a period of years.

Investment Policy

During the coming year the Trustees will continue to review the investment of free reserves and cash flow on a month to month basis.

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Members and Trustees have implemented a system to monitor risks that TWHF faces, especially in the operational areas and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The principal risks and uncertainties facing TWHF are as follows:

Educational – the risk centres on TWHF's ability to ensure that teaching and learning across all Key Stages and Early Years are in line with, or above, national standards. This has been a challenge in current year given lockdown but steps have been implemented including developing virtual learning platforms and to support this key objective. A detailed risk assessment is maintained for each school allowing for focused action and sharing of best practice. The Teaching and Learning committee reviews detailed progress and reports key risks to the Risk & Audit committee

Financial - TWHF has considerable reliance on continued Government funding through the ESFA. In the last year 95% of incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that public funding will continue at the same levels or on the same terms. We have also seen through the latter half of the year a significant reduction in Other Income due to Covid. Significant pressure is also expected in the area of pension payments /(contributions).

TWHF prepare detailed monthly financial presentations for review by the Finance Committee and Chair and also engage positively with ESFA. The Trust monitor performance against budgets and overall expenditure by means of comparison of KPI's and ICFP benchmarks.

Regulation and Legislation - risk arises from failure to effectively manage TWHF's finances and internal controls in compliance with regulations and legislation. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks including reliance on Internal Audit.

Operational Functions – Trustees monitor key risks in areas of Estates, IT and HR on a regular basis

Strategy & Growth - the Trustees review TWHF's strategy on a regular basis and monitor its implementation. Due diligence assessment and on boarding implications of new schools are also regularly reviewed and assessed.

COVID-19 - The health and safety of our pupils and staff are paramount, and as such we have worked hard to ensure that we operate in a safe, covid secure environment. Whilst the impact of the virus globally, nationally and locally has been significant, we have continued to maintain strong fiscal oversight. Within the MAT we have seen reduced income levels from third party sources such as lettings, caterings and parental contributions, however we have matched that with cost reductions in other areas. We are confident that with the actions taken to date, and continue to take, will leave us well placed whence this time has passed.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

TWHF and its Trustees do not act as the Custodian Trustees of any other Charity.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

For Disabled Employees

TWHF is an Equal Opportunities Employer, and works in conjunction with the Equality Act 2010 and supports disabled people including those with long term health conditions, learning disabilities and so called "hidden" disabilities such as dyslexia. If an applicant confirms that they have a disability we can make reasonable adjustments to ensure that any selection processes including the interview are fair and equitable.

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

TWHF also supports disabled employees by following the Managing Employee Health, Wellbeing and Attendance Procedure in Schools/Academies. This policy ensures that TWHF works with Occupational Health in order to support all disabilities with internal training programmes and career development.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the year 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	12,889,260
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	1,538.515
Owned transport – mini-buses	
<u>Total scope 1</u>	
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	950.351
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	67.988
Total gross emissions in metric tonnes CO2e	2,598.299
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.2255

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

In recent years we have made several steps to reduce our energy usage and move towards renewable energy sources. 50% of our schools now have some form of Solar PV array which helps to reduce our incoming electricity usage.

In any new development or refurbishment we always install LED lights as these use far less electricity than traditional fittings.

In the period 1st September 2019 – 31st August 2020 we made the following improvements to reduce carbon emissions:

- Replaced the boilers, un-insulated heating pipework, hot water systems and building management system at our central offices and Drove nursery building with new more efficient systems
- Replaced hundreds of old fluorescent light fittings with new LED fittings
- Replaced several commercial kitchen appliances with A+ rated equipment

In March 2019 we also installed 10 Solar PV systems in our schools which generate over 320,000kwh of electricity per annum.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

Due to COVID 19 travel has been massively reduced this year (from March 2020) and the use of Microsoft Teams is now widely used throughout the organisation. This is likely to continue going forwards.

We are currently applying for Public Sector Decarbonisation Funding which will facilitate two further heating system upgrades, 5 further Solar PV installations and 10 whole school LED lighting upgrades

FUTURE PLANS

A rolling 5 year strategic plan is maintained and regularly reviewed with the Trustees. This outlines the key areas of focus across the educational sectors and functional areas ensuring key objectives and projects are effectively deployed through TWHF. The focus remains on balancing financial security, capacity and educational improvement in existing and new schools potentially joining. Key projects include

- PTR improvement
- Educational support structures
- Income and capital funding initiatives

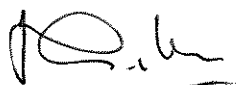
AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, and signed on the board's behalf by:



L Gibson
Chair of Trustees
Date 20.1.21

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day to day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to TWHF in the funding agreement between TWHF and the Secretary of State for Education.

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The board of Trustees has formally met 5 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Marsh	5	5
Dr N Capstick OBE, Chief Executive Officer	5	5
N Gibson, Chair	5	5
S Haynes	3	3
C Christie, Chair of LGBs	5	5
C Hopton, Chair of Audit & Risk Committee	5	5
C Macleod, Chair of People Committee & Pay and Remuneration Committee	5	5
N Van Zeller	0	1
J Norton, Chair of Teaching, Learning and Standards Committee	5	5
E Spurrier, Vice-Chair of Trustees and Chair of Finance Committee	3	4
R Lewis	4	4
L Nel	1	4
K Poulton	4	4

In addition to the main scheduled Board and Committee meetings the Trustees support the senior leadership as needed and during the year this was evident in support across a number of key projects, restructures and adhoc finance meetings.

The Finance Committee is a sub committee of the Board. The purpose of the Finance Committee is to ensure that the standards of financial control and administration are adhered to, make financial plans including agreeing the draft budget, and monitor the progress of income and expenditure. The Finance Committee has formally met 4 times during the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
E Spurrier, Chair of Finance committee	4	4
N Gibson	4	4
K Poulton	0	2
S Haynes	1	1
R Marsh	2	3
N Van Zeller	1	1

The purpose of the Audit & Risk Committee is to oversee the financial reporting process, including audit, through the year and at year end. In addition the Committee oversees the internal control and risk management framework for the Federation. The Audit & Risk Committee have formally met 4 times during the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Hopton, Chair of the Risk and Audit Committee	4	4
R Marsh	2	3
R Lewis	3	3

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

The purpose of the Teaching and Standards Committee is to oversee and challenge the schools with assessments and attainment at each school and consider key risks and mitigation actions across the educational framework of the schools in TWHF. The Teaching, Learning and Standards committee have formally met 5 times during the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Norton, Chair of Teaching and Standard Committee	5	5
N Gibson	5	5
L Nel	1	1
Dr N Capstick CEO	5	5

The Pay and Remuneration committee oversees all aspects of remuneration including Teacher and Support pay awards and evaluations and works closely with HR Director. In addition, it also oversees all senior pay awards and performance evaluations.

The committee did not formally meet in the year at a minuted Pay and Remunerations however actions were completed during the Peoples committee meetings and remotely recorded via email.

The purpose of the Peoples Committee is to focus on employee engagement, performance evaluations, benefits and well-being of staff. The Peoples committee have formally met 4 times during the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Macleod, Chair of Pay and Remuneration Committee	4	4
J Norton	3	3
N Van Zeller	0	1

REVIEW OF VALUE FOR MONEY

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

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

THE 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 ongoing process designed to identify and prioritise the risks to the achievement of TWHF policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in TWHF throughout the period of the signing of these accounts and during lockdown a number of activities were conducted virtually.

GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which TWHF is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. It is of the view that there is a formal ongoing process for identifying, evaluating and managing TWHF's significant risks that has been in place for the year to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance 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
- identification and management of risks

RSM act as Internal Auditors for TWHF and report regularly to the Audit & Risk Committee. Their role includes carrying out audits on selected TWHF risk management policies and processes. On an annual basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

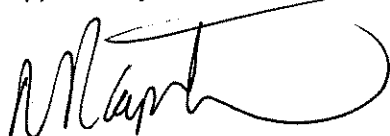
REVIEW OF EFFECTIVENESS

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

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

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

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



N Capstick
Accounting Officer
Date: 20/1/21

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The White Horse Federation I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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



N Capstick
Accounting Officer

Date: 2011/21

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

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



L Gibson
Chair of Trustees
Date: 20/1/21

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WHITE HORSE FEDERATION**

OPINION

We have audited the financial statements of The White Horse Federation (the 'academy') for the year ended 31 August 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WHITE HORSE FEDERATION (CONTINUED)**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WHITE HORSE FEDERATION (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Morrison FCA (senior statutory auditor)

for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date:

28/1/2021

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WHITE HORSE FEDERATION AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 October 2017 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 The White Horse Federation during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE WHITE HORSE FEDERATION'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The White Horse Federation's funding agreement with the Secretary of State for Education dated 1 July 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WHITE HORSE FEDERATION AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morris FCA (Reporting Accountant)
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: 28/1/2021

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants:	3					
Transfer on conversion		-	-	-	-	13,963,140
Other donations and capital grants		523,296	394,940	3,566,170	4,484,406	4,508,348
Charitable activities	4	2,718,678	67,838,523	-	70,557,201	66,768,676
Teaching schools	36	52,382	188,340	-	240,722	563,784
Other trading activities	6	239,957	-	-	239,957	384,770
Investments	7	36,662	-	-	36,662	2,547
TOTAL INCOME		3,570,975	68,421,803	3,566,170	75,558,948	86,191,265
EXPENDITURE ON:						
Charitable activities	8	3,771,156	67,723,554	15,486,832	86,981,542	75,527,132
Teaching schools	36	370	195,023	7,668	203,061	644,235
TOTAL EXPENDITURE		3,771,526	67,918,577	15,494,500	87,184,603	76,171,367
NET INCOME / (EXPENDITURE)		(200,551)	503,226	(11,928,330)	(11,625,655)	10,019,898
Transfers between funds	21	-	(804,573)	804,573	-	-
NET MOVEMENT BEFORE OTHER GAINS / (LOSSES)		(200,551)	(301,347)	(11,123,757)	(11,625,655)	10,019,898
Actuarial losses on defined benefit pension schemes	29	-	(2,664,000)	-	(2,664,000)	(7,822,000)
NET MOVEMENT IN FUNDS		(200,551)	(2,965,347)	(11,123,757)	(14,289,655)	2,197,898
Total funds brought forward		766,704	(24,453,648)	135,412,257	111,725,313	109,527,415
Net movement in funds		(200,551)	(2,965,347)	(11,123,757)	(14,289,655)	2,197,898
TOTAL FUNDS CARRIED FORWARD		566,153	(27,418,995)	124,288,500	97,435,658	111,725,313

The notes on pages 27 to 66 form part of these financial statements.

THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08075785

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	122,993,086	135,412,257
CURRENT ASSETS			
Debtors	16	2,551,122	2,867,113
Investments	17	-	1,000,000
Cash at bank and in hand		3,422,144	2,838,564
		<u>5,973,266</u>	<u>6,705,677</u>
Creditors: amounts falling due within one year	18	(3,933,816)	(4,870,438)
NET CURRENT ASSETS		<u>2,039,450</u>	<u>1,835,239</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>125,032,536</u>	<u>137,247,496</u>
Creditors: amounts falling due after more than one year	19	(741,878)	(881,183)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>124,290,658</u>	<u>136,366,313</u>
Defined benefit pension scheme liability	29	(26,855,000)	(24,641,000)
TOTAL NET ASSETS		<u><u>97,435,658</u></u>	<u><u>111,725,313</u></u>
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	21	124,288,500	135,412,257
Restricted income funds	21	(563,995)	187,352
		<u>123,724,505</u>	<u>135,599,609</u>
Restricted funds excluding pension asset	21	123,724,505	135,599,609
Pension reserve	21	(26,855,000)	(24,641,000)
Total restricted funds	21	<u>96,869,505</u>	<u>110,958,609</u>
Unrestricted income funds	21	<u>566,153</u>	<u>766,704</u>
TOTAL FUNDS		<u><u>97,435,658</u></u>	<u><u>111,725,313</u></u>

The financial statements on pages 24 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

L Gibson
Chair of Trustees
Date: 20/1/21



The notes on pages 27 to 66 form part of these financial statements.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	23	(392,962)	(876,702)
CASH FLOWS FROM INVESTING ACTIVITIES	25	453,310	291,235
CASH FLOWS FROM FINANCING ACTIVITIES	24	(476,768)	(224,048)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(416,420)	(809,515)
Cash and cash equivalents at the beginning of the year		3,838,564	4,648,079
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26, 27	3,422,144	3,838,564

The notes on pages 27 to 66 form part of these financial statements

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The White Horse Federation meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

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

The on-boarding of schools with significant financial issues and deficits, allied with general growth on of the Trust and national funding constraints, has placed a substantial strain on level of free reserves, and this remains a key focus for Trustees in the coming year. Turnaround of these schools will take time (typically three plus years) but a number of initiatives are underway to drive increased reserve levels and these are at the forefront of SLT and committee meetings. The impact of Gloucester Academy leaving the Trust has meant that the Trust has had to absorb the historic deficit belonging to that Academy, placing further strain on reserves, albeit this relieves ongoing budgetary pressure going forward.

At 31 August 2020 the level of free reserves (being unrestricted funds and General Annual Grant) was £14,000 and the Trustees consider this is a very low, albeit positive, level. Under the requirements of the Academy Financial Handbook the Trust is required to maintain positive free reserves at all times and this is a key balance that is closely monitored. In undertaking their assessment of free reserves the following have been considered:

- Cost cutting and budget improvement measures to improve the financial position
- Budget forecasts and cashflows which project the Trust continuing to operate without any further reduction in free reserves
- Review of post year end management accounts which show improvement in the reserves position
- Close and regular scrutiny of the budgetary position by management and Trustees, including the impact of the ongoing Covid-19 pandemic
- Monthly and continuous dialogue with the regulator, the ESFA, around the current financial position and outlook, maintaining full transparency
- It is also noted that whilst free reserves are under strain, cash flow remains strong due to the working capital cycle and capital funding streams.

Based on the above assessment the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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 institution with whom the funds are deposited.

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

1. ACCOUNTING POLICIES (continued)

1.6 TAXATION

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

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

1.7 TANGIBLE FIXED ASSETS

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

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

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

Depreciation is provided on the following bases:

Freehold property	- straight line over 50 years
Long-term leasehold land	- straight line over 125 years
Long-term leasehold property	- straight line over 50 years
Furniture and equipment	- straight line over 5 years
Computer equipment	- straight line over 3 years
Motor vehicles	- straight line over 5 years

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.

Land and buildings occupied under a Church Supplemental Agreement are not recognised as assets in the balance sheet. These land and buildings are occupied free of charge under a rolling two-year licence from the landowner. Due to the specialised nature of these land and buildings it is not considered practical to place a value of the notional rent donated by the landowner.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

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

1. ACCOUNTING POLICIES (continued)

1.9 CASH AT BANK AND IN HAND

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

1.10 LIABILITIES

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.12 OPERATING LEASES

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

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

1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

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

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

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

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

1.14 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an Academy involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from joining schools to the Academy are valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Land and buildings on conversion of new academies to the Federation have been included in the accounts at an estimation of their value at the date of conversion. In determining these values the Trustees have referred to the valuations of land and buildings provided by the ESFA for other local schools which were performed using the Depreciated Replacement Cost method.

Pension and other assets and liabilities have been valued by Hymans Robertson LLP.

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

1. ACCOUNTING POLICIES (continued)

1.15 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the Funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at year end are disclosed in note 33.

1.16 FUND ACCOUNTING

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

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

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

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

1.17 PFI AGREEMENT

The Moredon Primary School occupies buildings which are subject to a PFI agreement. The Federation pays revenue contributions in respect of facilities management. The contract will expire in 2030. The Federation does not have any rights or obligations of ownership in respect of these assets, and therefore they are not included on the Federation's Balance sheet. The revenue payment for service is included in the Statement of Financial Activities.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
DONATIONS					
Transfer on conversion	-	-	-	-	13,963,140
Donations	523,296	394,940	-	918,236	1,843,855
Capital Grants	-	-	3,566,170	3,566,170	2,664,493
TOTAL 2020	523,296	394,940	3,566,170	4,484,406	18,471,488
TOTAL 2019	1,046,320	2,635,432	14,789,736	18,471,488	

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Education	1,004,647	67,759,099	68,763,746	65,073,104
Nursery	1,503,392	19,321	1,522,713	1,345,263
Support to other schools	91,989	19,863	111,852	140,352
Leisure facilities	118,650	40,240	158,890	209,957
TOTAL 2020	<u>2,718,678</u>	<u>67,838,523</u>	<u>70,557,201</u>	<u>66,768,676</u>
TOTAL 2019	<u>2,860,280</u>	<u>63,908,396</u>	<u>66,768,676</u>	

The trust has included restricted COVID-19 Job retention scheme grants claims of £19,321 and £40,240 in relation to the Nursery and Leisure activities above.

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

5. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DFE/ESFA grants				
General Annual Grant	-	53,123,441	53,123,441	52,690,902
Other DfE/ESFA grants	-	7,867,294	7,867,294	5,421,854
	-	60,990,735	60,990,735	58,112,756
Other Government grants				
High Needs	-	4,964,528	4,964,528	4,433,515
Other government revenue grants	-	1,525,426	1,525,426	1,341,316
	-	6,489,954	6,489,954	5,774,831
Other funding				
Internal catering income	659,619	-	659,619	856,262
Sales to students	27,828	-	27,828	32,777
Other	317,200	11,723	328,923	296,478
	1,004,647	11,723	1,016,370	1,185,517
Exceptional government funding				
COVID-19 Exceptional support	-	191,367	191,367	-
COVID-19 Job retention scheme	-	75,320	75,320	-
	-	266,687	266,687	-
TOTAL 2020	1,004,647	67,759,099	68,763,746	65,073,104
TOTAL 2019	1,185,517	63,887,587	65,073,104	

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	239,957	239,957	384,770
TOTAL 2019	384,770	384,770	

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	36,662	36,662	2,547
TOTAL 2019	2,547	2,547	

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

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
EDUCATION:					
Direct costs	50,549,353	2,220,735	3,850,960	56,621,048	53,893,041
Support costs	10,305,718	3,790,413	14,387,175	28,483,306	19,932,916
NURSERY:					
Direct costs	1,503,841	59,500	12,264	1,575,605	1,340,119
Support costs	-	861	4,012	4,873	5,144
SUPPORT TO OTHER SCHOOLS:					
Direct costs	82,876	3,253	-	86,129	136,819
Support costs	-	59	1,500	1,559	4,565
LEISURE FACILITIES:					
Direct costs	160,293	6,411	3,056	169,760	178,931
Support costs	-	36,276	2,986	39,262	35,597
TEACHING SCHOOL	82,506	7,668	112,887	203,061	644,235
TOTAL 2020	62,684,587	6,125,176	18,374,840	87,184,603	76,171,367
TOTAL 2019	56,640,054	7,132,302	12,399,011	76,171,367	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	56,621,048	28,483,306	85,104,354	73,825,957
Nursery	1,575,605	4,873	1,580,478	1,345,263
Support for other schools	86,129	1,559	87,688	141,384
Leisure facilities	169,760	39,262	209,022	214,528
TOTAL 2020	58,452,542	28,529,000	86,981,542	75,527,132
TOTAL 2019	55,548,910	19,978,222	75,527,132	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Education 2020 £	Nursery 2020 £	Support to other schools 2020 £	Leisure facilities 2020 £	Total funds 2020 £	Total funds 2019 £
Pension income	405,000	-	-	-	405,000	399,000
Staff costs	49,943,604	1,493,925	82,876	160,293	51,680,698	47,134,628
Depreciation	2,028,219	59,500	3,253	6,411	2,097,383	2,512,862
Educational supplies	2,030,315	10,433	-	-	2,040,748	2,236,816
Examination fees	437,521	-	-	-	437,521	490,775
Staff development	167,867	459	-	-	168,326	272,443
Other costs	727,170	1,372	-	3,056	731,598	1,456,956
Supply teachers	605,748	9,916	-	-	615,664	803,596
Technology costs	83,088	-	-	-	83,088	58,884
PFI charges	192,516	-	-	-	192,516	182,950
TOTAL 2020	56,621,048	1,575,605	86,129	169,760	58,452,542	55,548,910
TOTAL 2019	53,893,041	1,340,119	136,819	178,931	55,548,910	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education 2020 £	Nursery 2020 £	Support to other schools 2020 £	Leisure facilities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	10,305,719	-	-	-	10,305,719	8,446,793
Depreciation	735,096	184	59	1,483	736,822	893,356
Other costs	25,604	-	-	1,243	26,847	39,179
Recruitment and support	654,858	-	-	-	654,858	975,238
Maintenance of premises and equipment	1,114,451	426	-	34,793	1,149,670	1,211,628
Cleaning	697,130	251	-	-	697,381	635,975
Rent and rates	660,910	-	-	-	660,910	575,388
Energy costs	950,423	-	-	-	950,423	1,018,597
Insurance	316,325	-	-	-	316,325	184,228
Security and transport	165,489	-	-	-	165,489	178,188
Catering	1,956,712	2,374	-	1,743	1,960,829	2,335,145
Technology costs	755,719	859	-	-	756,578	617,193
Office overheads	556,331	779	-	-	557,110	653,371
Legal and professional	2,054,589	-	1,500	-	2,056,089	2,042,876
Bank interest and charges	5,732	-	-	-	5,732	3,910
(Profit) / Loss on disposal of fixed assets	3,019	-	-	-	3,019	-
Governance costs	93,033	-	-	-	93,033	167,157
Donation out on an academy leaving the trust	7,432,166	-	-	-	7,432,166	-
TOTAL 2020	28,483,306	4,873	1,559	39,262	28,529,000	19,978,222
TOTAL 2019	19,932,916	5,144	4,565	35,597	19,978,222	

Further details of the donation out of the trust in relation to Gloucester Academy can be found in note 35.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

10. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2020 £	2019 £
Operating lease rentals	230,889	96,557
Depreciation of tangible fixed assets	2,841,873	3,436,079
PFI Charges	239,318	182,950
Fees paid to auditors for:		
- audit	36,000	38,500
- other services	6,275	6,275
	<u>62,684,587</u>	<u>56,640,054</u>

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	44,253,011	42,436,446
Social security costs	3,925,159	3,716,785
Pension costs	13,778,854	9,523,936
	<u>61,957,024</u>	<u>55,677,167</u>
Staff restructuring costs	111,899	159,291
Supply teacher costs	615,664	803,596
	<u>62,684,587</u>	<u>56,640,054</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £111,899 (2019: £89,002). The statutory redundancy payments individually during the year were: £2,071, £5,300, £6,075, £6,845, £8,940, £12,668, £30,000 and £40,000.

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

11. STAFF (CONTINUED)

c. STAFF NUMBERS

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

	2020 No.	2019 No.
Teachers	672	678
Educational support	1,159	1,157
Administration and other support	193	189
Management	98	95
	<u>2,122</u>	<u>2,119</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	588	573
Educational support	503	499
Administration and other support	225	132
Management	97	92
	<u>1,413</u>	<u>1,296</u>

d. HIGHER PAID STAFF

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	29	20
In the band £70,001 - £80,000	10	5
In the band £80,001 - £90,000	2	5
In the band £90,001 - £100,000	6	2
In the band £100,001 - £110,000	2	2
In the band £110,001 - £120,000	1	1
In the band £160,001 - £170,000	1	-
In the band £180,001 - £190,000	1	1
In the band £190,001 - £200,000	-	1
In the band £220,001 - £230,000	1	-
	<u>1</u>	<u>-</u>

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

11. STAFF (CONTINUED)

d. HIGHER PAID STAFF (CONTINUED)

The above employees participated in the Teachers' Pension Scheme. Annual equivalent pension contributions during the period, for these staff members amounted to £876,059 (2019: £524,014).

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. 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 was £1,137,037 (2019 £895,960).

12. CENTRAL SERVICES

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

- school improvement
- education support services
- human resources
- financial services and compliance form a central structure
- long range financial planning and analysis
- estates management
- other services as arising, including new school integration and strategic growth

The Academy charges for these services on the following basis:

The aim through the matrix structure is to ensure the Principals focus on teaching and learning while services are commissioned from the functional teams. To this end the budget process is key on developing clear cost centre structures at each school which are then monitored monthly including pupil premium activities. TWHF operates a single funding agreement and as such income is controlled at MAT level and allocated to schools to address approved cost and resource structures as well as support Federation wide School Improvement initiatives.

13. TRUSTEES' REMUNERATION AND EXPENSES

Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of staff and did not receive any payments in respect of their role as Trustees. Other Trustees did not receive any payments from the Federation in respect of their role as Trustees.

The value of staff Trustees remuneration and pension contributions in the year fell into £5,000 banding's as follows: N Capstick: Remuneration £220,000 - £225,000 (2019: £195,000 - £200,000), Employer's pension contributions £40,000 - £45,000 (2019: £30,000 - £35,000).

During the year ended 31 August 2020, expenses totalling £NIL were reimbursed or paid directly to Trustee (2019 - £1,430 to 3 Trustees).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £2,649 (2019 - £4,456). The cost of this insurance is included in the total insurance cost.

THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)

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

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION						
At 1 September 2019	37,162,622	105,577,280	3,740,370	2,121,902	144,705	148,746,879
Additions	929,545	521,208	1,070,474	233,906	47,735	2,802,868
Disposals	-	(13,370,561)	(703,888)	(606,210)	-	(14,680,659)
At 31 August 2020	38,092,167	92,727,927	4,106,956	1,749,598	192,440	136,869,088
DEPRECIATION						
At 1 September 2019	2,423,681	5,249,510	3,495,336	2,032,968	133,127	13,334,622
Charge for the year	763,933	1,909,974	(61,861)	210,148	29,679	2,841,873
On disposals	-	(1,062,870)	(646,401)	(591,222)	-	(2,300,493)
At 31 August 2020	3,177,614	6,096,614	2,787,074	1,651,894	162,806	13,876,002
NET BOOK VALUE						
At 31 August 2020	34,914,553	86,631,313	1,319,882	97,704	29,634	122,993,086
At 31 August 2019	34,738,941	100,327,770	245,034	88,934	11,578	135,412,257

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

15. TANGIBLE FIXED ASSETS (CONTINUED)

Land and buildings on conversion and acquisition of new Academies to the Federation have been included in the accounts at an estimation of their value at the date of conversion. In determining these values the Trustees have referred to the valuations of land and buildings provided by the ESFA for other local schools which were performed using the Depreciated Replacement Cost method.

TWHF has been granted use of certain school buildings under Supplemental Agreements with various Diocese. The Trustees consider that under this agreement the risks and rewards of ownership remain with the Diocese. Therefore the relevant land and buildings have not been included within the long-term leasehold property of TWHF.

All disposals included above relate to the transfer out of Gloucester Academy from Trust on 1 June 2020. See note 35 for further details.

Included in freehold land and buildings is £6,789,180 (2019: £6,789,180) of land, which is not depreciated.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

16. DEBTORS

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	146,996	67,705
Other debtors	59,201	99,427
Prepayments and accrued income	2,256,219	1,890,489
VAT repayable	88,706	809,492
	<u>2,551,122</u>	<u>2,867,113</u>

17. CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Deposit accounts	<u>-</u>	<u>1,000,000</u>

The above deposit accounts have various terms between 3 months and 1 year. Access to funds can be obtained within a shorter period on closure of the accounts at the cost on the interest accrued to date.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
ESFA loans	112,472	449,935
Trade creditors	668,046	499,765
Other taxation and social security	900,528	952,482
Other creditors	1,055,551	1,334,006
Accruals and deferred income	1,197,219	1,634,250
	<u>3,933,816</u>	<u>4,870,438</u>
	2020 £	2019 £
Deferred income at 1 September 2019	1,425,206	988,007
Resources deferred during the year	933,902	1,425,206
Amounts released from previous periods	(1,425,206)	(988,007)
	<u>933,902</u>	<u>1,425,206</u>

At the balance sheet date the Federation was holding ESFA and Local Authority grants received in advance for the 2020/21 academic year.

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

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
ESFA loans	741,878	881,183

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020 £	2019 £
Payable or repayable by instalments	56,342	104,295

The loans included above are due to the ESFA. £437,647 (2019: £600,000) relates to funding provided for pupil number adjustments repayable and £304,231 (2019: £281,183) was received for Condition Improvement Fund projects. A repayment schedule for these loans has been agreed with the Department for Education and the loans are interest free.

20. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	3,422,144	3,838,564

Financial assets measured at fair value through income and expenditure comprise cash and current asset investments

THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	766,704	3,570,975	(3,771,526)	-	-	566,153
RESTRICTED GENERAL FUNDS						
General Annual Grant	(565,995)	53,123,441	(53,108,911)	-	-	(551,465)
High Needs	-	4,964,528	(4,964,528)	-	-	-
Pupil premium	-	3,067,641	(3,067,641)	-	-	-
16-19 Allocation	-	43,973	(43,973)	-	-	-
UIFSM	-	905,117	(905,117)	-	-	-
PE sports grant	-	542,696	(542,696)	-	-	-
Teachers' pay & pension grants	-	2,783,559	(2,783,559)	-	-	-
COVID-19 grants	-	326,248	(326,248)	-	-	-
Other DfE / ESFA grants	-	674,308	(674,308)	-	-	-
LA Pupil support grants	-	997,700	(997,700)	-	-	-
Other LA grants	-	291,347	(291,347)	-	-	-
Other grants	-	98,102	(98,102)	-	-	-
Teaching School funding	(51,226)	208,203	(169,507)	-	-	(12,530)
Trips donations	-	394,940	(394,940)	-	-	-
School Condition Allocation	594,126	-	-	(594,126)	-	-
Devolved Formula Capital	190,267	-	-	(190,267)	-	-
OCC Capital Grant	20,180	-	-	(20,180)	-	-
Pension reserve	(24,641,000)	-	450,000	-	(2,664,000)	(26,855,000)
	<u>(24,453,648)</u>	<u>68,421,803</u>	<u>(67,918,577)</u>	<u>(804,573)</u>	<u>(2,664,000)</u>	<u>(27,418,995)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	127,511,672	-	(14,157,701)	-	-	113,353,971

THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Fixed assets purchased from GAG and other restricted	7,900,585	-	(1,064,338)	2,802,868	-	9,639,115
School Condition Allocation	-	2,186,160	(12,516)	(1,331,746)	-	841,898
Devolved Formula Capital	-	302,547	(175,000)	(111,586)	-	15,961
OCC Capital Grant	-	322,500	(84,945)	-	-	237,555
St Lukes SBC Grant	-	533,612	-	(533,612)	-	-
Melksham Oak IT & FFE Grant	-	200,000	-	-	-	200,000
Other small capital grants	-	21,351	-	(21,351)	-	-
	<u>135,412,257</u>	<u>3,566,170</u>	<u>(15,494,500)</u>	<u>804,573</u>	<u>-</u>	<u>124,288,500</u>
TOTAL RESTRICTED FUNDS	<u>110,958,609</u>	<u>71,987,973</u>	<u>(83,413,077)</u>	<u>-</u>	<u>(2,664,000)</u>	<u>96,869,505</u>
TOTAL FUNDS	<u>111,725,313</u>	<u>75,558,948</u>	<u>(87,184,603)</u>	<u>-</u>	<u>(2,664,000)</u>	<u>97,435,658</u>

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

RESTRICTED FUNDS

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the schools.

High Needs funding is received from the Local Authority to cater for pupils with learning difficulties and other disabilities.

Pupil premium funding represents amounts received from the ESFA to cater for disadvantaged pupils.

16-19 Allocation funding is received from the ESFA for the provision of sixth form learning.

UIFSM (Universal Infant Free School Meals) is received from the ESFA for the provision of free school meals to be supplied to all students up to and including year 2.

PE sports grant represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Teachers' pay & pension grants is received from the ESFA to fund Teacher's payrises and increases to pension contribution rates.

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

21. STATEMENT OF FUNDS (CONTINUED)

COVID-19 Grants represents exceptional cost claim income from the ESFA and claims made under the Government Coronavirus Job Retention Scheme.

Other DfE / ESFA grants represents other smaller grants received including rates reimbursement, Year 7 catch up, school improvement and start up grants.

LA Pupil support support grants represents income received from local authorities for the following schemes: Primary Behaviour Support Service, Young People Support Service, Child and Adolescent Mental Health Service, Local Authority Pupil premium & Pupil Referral Unit Service.

Other LA grants represents smaller grants received from local authorities, this includes a Ministry of Defense grant for the support of students with parents serving at local military sites.

Other grants represents smaller grants received from non government sources.

Teaching School funding represents funding received from the National College to enable the teaching schools alliance to build the necessary leadership and administrative capacity to undertake its work in leading the alliance.

Trip donations represents donations made by parents towards the costs of educational trips during the year.

See notes under fixed asset funds section below for details of School Condition Allocation, Devolved Formula Capital & OCC Capital. Following updated guidance in the academies account Direction 19/20, these funds will be recognised within the fixed asset funds, any unspent balances were transferred to the fixed asset fund on 1 September 2019.

Pension reserve - This represents the Federation's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The Federation is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the Federation on conversion to an academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from GAG or other restricted funding received from the ESFA or other bodies, such as the grants listed below. On purchase of a fixed asset from the funds below (or GAG) a transfer is recognised into the Fixed assets purchased from GAG and other restricted fund. The balances carried forward on the funds listed below on represent unspent cash or accrued funds at the year end.

School Condition Allocation represents funding received from the DfE to fund large capital projects as the Academy Trust deems required.

Devolved Formula Capital represents funding received from the ESFA to cover the maintenance and purchase of the Federation's assets.

OCC Capital and opening grants represents funding received from the local authority for urgent repairs to a school roof and other cost incurred on conversion to an academy.

St Lukes SBC grant represents funding received from the local authority to cover the major refurbishment of the St Lukes site.

21. STATEMENT OF FUNDS (CONTINUED)

Melksham Oak IT & FFE Grant represents funding received from the local authority to cover the major refurbishment of the IT suites and equipment at the Melksham Oak site.

OTHER INFORMATION

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

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

21. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Devizes School	-	(91,514)
Gloucester Academy	-	(278,790)
John Madejski Academy	(263,699)	(293,583)
Peak Academy	(357,469)	(435,076)
Central	623,326	1,248,446
Central - Capital restricted reserves	-	804,573
Total before fixed asset funds and pension reserve	2,158	954,056
Restricted fixed asset fund	124,288,500	135,412,257
Pension reserve	(26,855,000)	(24,641,000)
TOTAL	97,435,658	111,725,313

TWHF successfully operates a GAG pooling approach to its Income, and further to that collective approach, operate their budget setting and accounting structures on a contribution basis – ie the Trust do not top slice, which has been the traditional approach to the funding of the central and strategic functions of schools historically

The approach we take to reserves is slightly more stepped approach to the blanket “All reserves are Central” – which is an approach that is increasingly being taken across the sector, particularly in the larger MAT's .

Given the trust has a reputation for taking on challenging schools, it is important both to recognise the scale of the impact these turnarounds have financially on the trust, and then to mark the progress that has occurred in the turnaround.

To that end, if a school has negative contribution (defined by Expenses allocated greater than Income allocated) , we will show that as negative reserves in the annual accounts. Then, as the school continues its improvement journey and starts to turn a positive contribution, then this be reflected in the reserves position.

Once those negative reserves have been extinguished, reserves will be shown centrally along with all other schools. Devizes school has extinguished its negative reserves during the year.

School with negative reserves

Of the four schools who entered the year with negative reserves, three improved their position and one – Gloucester Academy – was re-brokered, with the negative reserves being subsumed into the Central reserves. Peak and JMA have continued their school financial improvement journey.

The expectation is that both schools will continue to erode their negative reserves over the future budget time horizon

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

21. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Bowerhill Primary Academy	1,166,379	117,006	16,768	179,019	1,479,172	1,569,086
The Croft Primary Academy	1,183,283	160,291	47,186	133,749	1,524,509	1,441,281
Devizes School	4,145,980	673,849	286,168	611,705	5,717,702	5,352,820
Drove Primary School	2,128,999	273,459	55,706	202,838	2,661,002	2,590,731
Forest and Sandridge C of E School	1,377,252	115,902	29,684	205,484	1,728,322	1,714,934
Gagle Brook Primary School	246,119	38,971	11,310	99,346	395,746	272,566
Gloucester Academy	2,610,007	504,713	115,657	8,206,359	11,436,736	5,566,490
Gorse Hill Primary School	1,404,398	152,774	45,460	220,281	1,822,913	1,802,228
Grange Infant School	720,702	136,145	33,726	145,275	1,035,848	499,390
Grange Junior School	971,138	112,261	20,851	138,651	1,242,901	674,162
Haydon Wick Primay School	856,058	126,231	17,755	88,842	1,088,886	1,082,043
John Madejski Academy	3,184,136	310,691	181,976	1,058,370	4,735,173	4,515,755
Larkhill Primary School	859,981	112,477	25,699	132,269	1,130,426	1,171,101
The Manor C of E Primary School	985,230	86,087	38,049	161,843	1,271,209	1,183,702
Moredon Primary School	1,408,244	123,390	35,974	327,062	1,894,670	1,863,183
Mountford Manor Primary School	926,617	134,493	26,275	118,943	1,206,328	1,189,359

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

21. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Melksham Oak Community School	5,283,888	596,741	113,709	671,892	6,666,230	6,552,556
Nyland Special School	1,294,794	73,565	46,280	216,138	1,630,777	1,480,432
Peak Academy	1,367,631	210,036	139,684	246,937	1,964,288	1,777,097
The Ridgeway School & Sixth Form College	6,217,718	709,207	266,104	1,060,182	8,253,211	7,951,145
Rodbourne Cheyney Primary School	837,422	116,103	35,941	131,737	1,121,203	1,086,408
Seend C of E Primary School	412,201	13,665	16,888	71,309	514,063	510,696
Shaw C of E Primary School	744,814	55,259	21,130	119,083	940,286	909,792
St Georges C of E Primary School	379,298	22,590	19,558	68,692	490,138	480,658
St Mary's Broughton Gifford C of E Primary School	322,960	24,526	18,764	50,681	416,931	448,797
St Marys & All Saints Church of England Primary School	1,002,653	149,607	29,654	278,096	1,460,010	1,409,048
Southbroom Infants School	671,502	75,202	8,311	87,190	842,205	808,296
Southwold County Primary School	946,663	141,498	30,761	118,595	1,237,517	1,302,555
St. Lukes Academy	1,140,910	218,716	174,825	303,060	1,837,511	1,953,867
Tregoze Primary School	691,010	91,786	15,254	91,283	889,333	890,796
West Kidlington Primary School & Nursery	1,246,269	148,857	26,382	101,244	1,522,752	1,580,657
Zouch Primary School	1,397,417	151,457	42,020	142,543	1,733,437	1,486,886

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

21. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Teaching School - Central	23,145	59,361	136	151,447	234,089	664,107
Central services	6,155,061	2,742,792	48,404	3,270,949	12,217,206	8,952,664
ACADEMY	54,309,879	8,779,708	2,042,049	19,211,094	84,342,730	72,735,288

The other costs excluding depreciation of Gloucester Academy includes transfer out of assets to another multi academy trust during the year of £12,380,166.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

21. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	1,156,844	4,308,798	(4,698,938)	-	-	766,704
RESTRICTED GENERAL FUNDS						
General Annual Grant	(569,574)	53,072,964	(53,069,385)	-	-	(565,995)
High Needs	-	4,433,515	(4,433,515)	-	-	-
Pupil premium	43,280	3,114,570	(3,157,850)	-	-	-
16-19 Allocation	-	49,967	(49,967)	-	-	-
UIFSM	-	1,005,963	(1,005,963)	-	-	-
Other DFE/ESFA grants	-	611,882	(611,882)	-	-	-
Other grants	-	162,750	(162,750)	-	-	-
Primary Behaviour Support Service	-	87,060	(87,060)	-	-	-
Child and Adolescent Mental Health Services	-	251,928	(251,928)	-	-	-
Pupil Referral Unit	-	111,673	(111,673)	-	-	-
Young People Support Service	-	162,864	(162,864)	-	-	-
PE sports grant	46,313	508,067	(554,380)	-	-	-
SBC Capital grant	-	474,279	-	(474,279)	-	-
Teaching School funding	(59,688)	512,430	(503,968)	-	-	(51,226)
School Condition Allocation	415,599	1,488,409	(69,966)	(1,239,916)	-	594,126
Devolved Formula Capital	-	862,267	(58,056)	(613,944)	-	190,267
OCC Capital Grant	67,846	150,000	(150,000)	(47,666)	-	20,180

THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Other restricted income	-	61,204	(61,204)	-	-	-
Trips donations	-	1,124,939	(1,124,939)	-	-	-
Pension reserve	(13,256,000)	(1,154,000)	(2,409,000)	-	(7,822,000)	(24,641,000)
	<u>(13,312,224)</u>	<u>67,092,731</u>	<u>(68,036,350)</u>	<u>(2,375,805)</u>	<u>(7,822,000)</u>	<u>(24,453,648)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	114,907,784	14,789,736	(2,185,848)	-	-	127,511,672
Fixed assets purchased from GAG and other restricted	6,775,011	-	(1,250,231)	2,375,805	-	7,900,585
	<u>121,682,795</u>	<u>14,789,736</u>	<u>(3,436,079)</u>	<u>2,375,805</u>	<u>-</u>	<u>135,412,257</u>
TOTAL RESTRICTED FUNDS	<u>108,370,571</u>	<u>81,882,467</u>	<u>(71,472,429)</u>	<u>-</u>	<u>(7,822,000)</u>	<u>110,958,609</u>
TOTAL FUNDS	<u>109,527,415</u>	<u>86,191,265</u>	<u>(76,171,367)</u>	<u>-</u>	<u>(7,822,000)</u>	<u>111,725,313</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	122,993,086	122,993,086
Current assets	585,903	4,091,949	1,295,414	5,973,266
Creditors due within one year	-	(3,933,816)	-	(3,933,816)
Creditors due in more than one year	(19,750)	(722,128)	-	(741,878)
Provisions for liabilities and charges	-	(26,855,000)	-	(26,855,000)
TOTAL	<u>566,153</u>	<u>(27,418,995)</u>	<u>124,288,500</u>	<u>97,435,658</u>

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

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	135,412,257	135,412,257
Current assets	766,704	5,938,973	-	6,705,677
Creditors due within one year	-	(4,870,438)	-	(4,870,438)
Creditors due in more than one year	-	(881,183)	-	(881,183)
Provisions for liabilities and charges	-	(24,641,000)	-	(24,641,000)
TOTAL	766,704	(24,453,648)	135,412,257	111,725,313

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

	2020 £	2019 £
Net (expenditure)/income for the period (as per statement of financial activities)	(11,625,655)	10,019,898
ADJUSTMENTS FOR:		
Depreciation	2,841,873	3,436,079
Capital grants from DfE and other sources	(3,219,516)	(2,664,493)
Interest receivable	(36,662)	(2,547)
Defined benefit pension scheme cost less contributions payable	4,093,000	2,010,000
Defined benefit pension scheme finance cost	405,000	399,000
Decrease in debtors	315,991	382,153
Decrease in creditors	(599,159)	(493,652)
Net gain on assets and liabilities from local authority on conversion	-	(13,963,140)
Net loss on academy transferred out of the Trust	7,432,166	-
NET CASH USED IN OPERATING ACTIVITIES	(392,962)	(876,702)

THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)

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

24. CASH FLOWS FROM FINANCING ACTIVITIES

	2020 £	2019 £
Repayment of ESFA loans	(476,768)	(551,452)
Cash recieved on conversion of academy trusts	-	327,404
NET CASH USED IN FINANCING ACTIVITIES	(476,768)	(224,048)

25. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £	2019 £
Interest receivable	36,662	2,547
Purchase of tangible fixed assets	(2,802,868)	(2,375,805)
Capital grants from DfE Group and other sources	3,219,516	2,664,493
NET CASH PROVIDED BY INVESTING ACTIVITIES	453,310	291,235

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	3,422,144	2,838,564
Notice deposits (less than 3 months)	-	1,000,000
TOTAL CASH AND CASH EQUIVALENTS	3,422,144	3,838,564

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	2,838,564	583,580	3,422,144
Debt due within 1 year	(449,935)	337,463	(112,472)
Debt due after 1 year	(881,183)	139,305	(741,878)
Liquid investments	1,000,000	(1,000,000)	-
	2,507,446	60,348	2,567,794

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

28. CAPITAL COMMITMENTS

	2020	2019
	£	£
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	541,975	469,021

29. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire Pension Fund. During the year the Trust has merged all Local Government Pension Schemes previously managed by Gloucester County Council, Berkshire County Council and Oxford County Council in to a single central scheme managed by Wiltshire Pension Fund. All schemes are multi-employer defined benefit schemes.

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

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

TEACHERS' PENSION SCHEME

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

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

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

29. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £4,825,714 (2019 - £4,112,467).

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

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

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 £4,465,000 (2019 - £4,498,000), of which employer's contributions totalled £3,507,000 (2019 - £3,633,000) and employees' contributions totalled £ 958,000 (2019 - £862,000). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

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

29. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.5	2.73
Rate of increase for pensions in payments	2.2	2.28
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.2	2.28

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.7	22.2
Females	24.0	24.0
<i>Retiring in 20 years</i>		
Males	22.5	23.8
Females	25.4	25.9

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

	2020 £	2019 £
Equities	24,719,000	29,238,000
Corporate bonds	13,943,000	6,661,000
Property	5,221,000	5,103,000
Cash and other liquid assets	34,000	1,083,000
Other	-	317,000
TOTAL MARKET VALUE OF ASSETS	43,917,000	42,402,000

The actual return on scheme assets was £1,020,000 (2019 - £1,193,000).

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

29. PENSION COMMITMENTS (CONTINUED)

The amounts recognised in the Statement of financial activities are as follows:

	2020 £	2019 £
Current service cost	(7,600,000)	(5,288,000)
Past service cost	-	(355,000)
Interest income	739,000	1,016,000
Interest cost	(1,144,000)	(1,415,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(8,005,000)	(6,042,000)

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

	2020 £	2019 £
AT 1 SEPTEMBER	67,043,000	47,504,000
Conversion of academy trusts	-	2,255,000
Transferred out on existing academies leaving the Trust	(9,219,000)	-
Interest cost	1,144,000	1,415,000
Employee contributions	958,000	862,000
Actuarial losses / (gains)	3,498,000	10,115,000
Benefits paid	(252,000)	(751,000)
Past service cost	-	355,000
Current service cost	7,600,000	5,288,000
AT 31 AUGUST	70,772,000	67,043,000

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

	2020 £	2019 £
AT 1 SEPTEMBER	42,402,000	34,248,000
Conversion of academy trusts	-	1,101,000
Transferred out on existing academies leaving the Trust	(4,271,000)	-
Interest income	739,000	1,019,000
Actuarial gains	834,000	2,293,000
Employer contributions	3,507,000	3,633,000
Employee contributions	958,000	862,000
Benefits paid	(252,000)	(751,000)
Admin expenses	-	(3,000)
AT 31 AUGUST	43,917,000	42,402,000

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

30. OPERATING LEASE COMMITMENTS

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

	2020 £	2019 £
Not later than 1 year	451,475	382,477
Later than 1 year and not later than 5 years	1,328,220	1,144,704
Later than 5 years	1,116,818	1,435,908
	<u>2,896,513</u>	<u>2,963,089</u>

Moredon Primary School occupies buildings that are subject to a PFI agreement. The amount included in operating lease commitments above is the projected revenue payment for future years. This agreement will expire in 2030 and each annual payment is subject to inflationary increases.

31. MEMBERS' LIABILITY

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

32. RELATED PARTY TRANSACTIONS

During the year, Prime Theatre invoiced the Trust a net amount of £4,884 (2019: £Nil) with a balance of £198 (2019: £Nil) outstanding at year end. Dr N Capstick, CEO and Trustee, is a director of Prime Theatre. The transactions were at arm's length.

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

33. AGENCY ARRANGEMENTS

TWHF distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020 the Academy Trust received £43,973 and disbursed £43,973 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.

34. CONTROLLING PARTY

The company is under the joint control of the Members. There is no ultimate controlling party.

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

35. TRANSFER OUT ON ACADEMIES LEAVING THE ACADEMY

On 1 June 2020, Gloucester Academy transferred out of The White Horse Federation and joined Greenshaw Leaning Trust. Despite the school having negative reserves of £376,673 within the accounting records of The White Horse Federation, it was agreed that the school was to be transferred transferred on net £Nil free reserves basis.

The White Horse Federation charged the acquiring trust for any prepaid costs and accrued income (£101,286) less any accrued costs and deferred income (£49,851) as at the point of the transfer. The net payment of £51,435 was received after the year end and has been included in the breakdown below.

	Transfer out on academy leaving the trust £
TANGIBLE FIXED ASSETS	
Long-term leasehold property	12,307,691
Furniture and equipment	57,487
Computer equipment	14,988
CURRENT ASSETS	
Debtors due within one year	101,286
Cash at bank and in hand	(51,435)
LIABILITIES	
Creditors due within one year	(49,851)
PENSIONS	
Pensions - pension scheme assets	4,271,000
Pensions - pension scheme liabilities	(9,219,000)
NET ASSETS	<u><u>7,432,166</u></u>

**THE WHITE HORSE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

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

36. TEACHING SCHOOL TRADING ACCOUNT

	2020 £	2020 £	2019 £	2019 £
Income				
DIRECT INCOME				
ESFA and other government grants	188,340		548,903	
OTHER INCOME				
School to school support	52,382		14,881	
TOTAL INCOME		240,722		563,784
Expenditure				
DIRECT EXPENDITURE				
Wages and salaries	23,145		197,972	
Depreciation	-		22,196	
Educational supplies	90,259		258,214	
Technology costs	150		(2,964)	
Supply teachers	370		-	
Staff development	295		3,443	
TOTAL DIRECT EXPENDITURE	114,219		478,861	
OTHER EXPENDITURE				
Wages and salaries	59,361		57,065	
Depreciation	7,668		7,665	
Professional services	21,813		100,942	
Other costs	-		1,289	
Expenditure type 7	-		(404)	
Expenditure type 9	-		106	
TOTAL OTHER EXPENDITURE	88,842		166,663	
TOTAL EXPENDITURE		203,061		645,524
Surplus/(deficit) from all sources		37,661		(81,740)
Teaching school balances at 1 September 2019		(38,120)		43,620
TEACHING SCHOOL BALANCES AT 31 AUGUST 2020		(459)		(38,120)