



Twyford
C of E
Academies Trust

TWYFORD CHURCH OF ENGLAND ACADEMIES TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended

31st August 2021

Company Registration Number
07648968 (England and Wales)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	<p>Dr Michael Cross (also a Director. Appointed Chair of Directors and Member, 20th October 2020) *#~</p> <p>The Right Rev'd Pete Broadbent</p> <p>Mrs Christine Peppiatt #</p> <p>Mr Inigo Woolf #</p>
Directors	<p>Ms Hilary Belden *</p> <p>Mr Andrew Bickley (Resigned as Chair of Directors and Member, 20th October 2020) *~</p> <p>Dr Neil Evans #</p> <p>Mrs Louise Gibb *</p> <p>Mr John Goddard *# ~</p> <p>Mrs Emma Harniman</p> <p>Dame Alice Hudson (Executive Head Teacher and Accounting Officer)*</p> <p>Dr Jenny Stevens ~</p> <p>Committee membership at the end of the financial year</p> <p>* Member of the Resources Committee.</p> <p># Member of the Audit and Risk Committee.</p> <p>~ Member of the Pay Committee</p>
Company Secretary	<p>Mrs Valerie Drake</p>
Executive Group	<p>Dame Alice Hudson (Executive Head Teacher)</p> <p>Mr Keir Smith (Associate Head Teacher)</p> <p>Ms Karen Barrie (Associate Head Teacher)</p> <p>Mr Mark Bedford (Associate Head Teacher)</p> <p>Ms Amy Newman (Associate Head Teacher)</p> <p>Mr Richard Lane (Director of Finance & Operations)</p>
Principal and Registered Office	<p>Twyford C of E High School</p> <p>Twyford Crescent</p> <p>London W3 9PP</p>
Company Registration Number	<p>07648968 (England and Wales)</p>
Independent Auditor	<p>RSM UK Audit LLP</p> <p>St Philips Point</p> <p>Temple Row</p> <p>Birmingham</p> <p>West Midlands B2 5AF</p>
Bankers	<p>Lloyds Bank PLC</p> <p>25 Gresham Street</p> <p>London EC2V 7HN</p>
Solicitors	<p>Eversheds</p> <p>Eversheds House</p> <p>70 Great Bridgewater Street</p> <p>Manchester M1 5ES</p>

DIRECTORS' REPORT

The Directors of Twyford Church of England Academies Trust ('the Academies Trust'/'the Trust') present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report under charity law and a directors' report and a strategic report under company law.

The Academies Trust operates four secondary schools in the London Borough of Ealing (Twyford C of E High School, William Perkin C of E High School, Ada Lovelace C of E High School and Ealing Fields High School) with a combined pupil capacity of 4,970 and a roll of 3,982 on the school census date 1st October 2020. William Perkin C of E High School opened in 2013 and the school is now nearing capacity, all year groups being present during the year. Ealing Fields High School opened in 2016 and joined the Trust in 2017 and had 5 year groups present during the year. Ada Lovelace C of E High School opened in 2018 and had 3 year groups present. Ealing Fields High School and Ada Lovelace C of E High School moved from temporary accommodation to their new permanent sites in September 2020.

Structure, Governance and Management

Constitution

The Academies Trust is a company limited by guarantee and an exempt charity. The charitable company was incorporated on 26th May 2011. The charitable company's memorandum and articles of association are the primary governing documents of the Academies Trust. The Directors act as the trustees for the charitable activities of the Academies Trust and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Twyford Church of England Academies Trust. The Academies Trust also operated under the names 'Ealing Teaching School Alliance' and 'Teach West London' during the year. Ealing Teaching School Alliance, a teaching school, has now been replaced by Teach West London, a teaching school hub. Details of the Directors and Members who served throughout the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnity

In accordance with normal commercial practice, indemnity insurance is in place, limiting directors' exposure to claims (details are found in note 13).

Method of Recruitment and Appointment or Election of Directors and Members

Members comprise some of the founding Members of the Academies Trust, the current Chair of the Board of Directors, and the local diocesan bishop.

Articles of Association for the Academies Trust were adopted in September 2018 and are in line with the Department for Education's model document for multi-academy trusts with church schools and non-church schools. Directors are appointed by existing Directors, Members or by the Secretary of State. Four Directors may be appointed by existing Directors from the following nominations:

- Two by the London Diocesan Board for Schools (LDBS)
- One by the Bishop of Willesden
- One by the Ealing Deanery Synod.

Existing Directors may also co-opt up to three Directors. The Executive Headteacher is appointed a Director by right of office. The Members may appoint up to three Directors and parent Directors if requirements for parent representation at local governing body level are not met. The Secretary of State may appoint one or more Directors when he/she has serious concerns and has issued a warning notice. There are restrictions on the proportion of Directors who are also staff.

Policies and Procedures Adopted for the Induction and Training of Directors

New Directors are given an extensive briefing on the governance of the Academies Trust by the Company Secretary. This includes meeting the Headteacher and the Chair of Directors and being given a tour of Trust schools. Directors are required to complete mandatory safeguarding training each year and supported to attend appropriate external training courses on a range of subjects relevant to their role. Briefings on issues affecting the Academies Trust are circulated to Directors by the Company Secretary from time to time.

Organisational Structure

The Directors of the Academies Trust have overall responsibility for the management of the organisation. This responsibility is exercised through a committee structure including local governing bodies for each school. Committees have also been established at Trust level to oversee audit and risk, resources and pay issues and at local level to oversee curriculum and student issues. Day-to-day management is delegated to the Executive Headteacher (who is the Accounting Officer), Executive Group and School Leadership Teams via a scheme of delegation. Under the scheme of delegation, Directors have retained responsibility for determining key policies, plans and strategies, the annual budget and setting key performance targets.

DIRECTORS' REPORT (continued)

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Key Management Personnel are Trust Directors and the Leadership Team (also referred to as the Executive Group). With the exception of the Executive Headteacher, Directors of the Academies Trust are unpaid. Remuneration of Trust Directors and members of the Leadership Team who receive pay is determined by the Pay Committee in accordance with the Academies Trust's Pay Policy. The Executive Headteacher, Associate Headteachers and teaching staff representatives are paid with reference to the Teachers' Pay and Conditions document published by the Department for Education. The Executive Headteacher and Associate Headteachers' pay is set with reference to comparative/benchmark information produced by Kreston Reeves and others. The remuneration of the Director of Finance & Operations is determined with reference to other leadership posts with a similar level of seniority and available benchmark information.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
Nil*	Nil*

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	Nil*
1% - 50%	Nil*
51% - 99%	Nil*
100%	Nil*

Percentage of the pay bill spent on facility time

A. Total cost of facility time	£7,828
B. Total pay bill	£22,339,594
Percentage of the pay bill spent on facility time (A/B x 100%)	0.04%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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* The Twyford Trust buys into a union facilities arrangement provided by the London Borough of Ealing.

Related Parties and Co-operation with Other Organisations

The Academies Trust does not have any subsidiaries or related companies in the corporate sense. The Academies Trust is affiliated with the London Diocesan Board for Schools (LDBS) and receives professional services support from both the LDBS and the London Borough of Ealing. The Academies Trust actively cooperates in the areas of curriculum development, staff training and raising standards with several local primary and secondary schools, mainly through local authority and LDBS connections but also as lead school in the Ealing Teaching School Alliance (until August 2021) and as the Teach West London teaching school hub since the spring of 2021.

Engagement with Employees (including Disabled People)

The Directors are mindful of the benefits to the Trust of fully engaging with employees and having regard to their interests. Staff are kept informed about matters of concern to them through weekly briefings at each school and through the Trust's virtual learning environment, 'Copia' which includes a Community Bulletin page. Recognised trade union representatives and staff governors have been elected at each school. These representatives are routinely consulted on changes to staffing and health and safety policies at school level and through a Trust level Staff Consultative Group. Staff Governors also attend local governing bodies and provide valuable insights influencing decisions on a wide range of issues. Staff are kept informed about the performance of the Trust and its schools through an annual conference and start of term/start of school year gatherings. The start of year event particularly focuses on the performance of pupils in summer external exams. Teaching staff are further engaged in the performance of the Trust and its schools through a rigorous individual performance management process supporting pay progression. Support staff also receive an annual appraisal of performance and personal development. The Trust encourages applications for employment from disabled people and is committed to making reasonable adjustments to facilitate the employment of disabled people. The Trust is developing arrangements for supporting staff who become disabled as far as possible. Through its equality policy the Trust has committed to providing disabled staff with equal access to training opportunities and career progression. In furtherance of this all staffing policies are routinely assessed for their impact on equality and diversity.

DIRECTORS' REPORT (continued)

Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust

The Trust engages in a variety of ways with a wide range of interests and stakeholders in the community. We monitor payments to suppliers to ensure these comply with agreed terms. Larger business partners such as the catering contractor and supplier of photocopiers and printers are engaged over their environmental impact. Trust staff facilitate a dialogue between the caterers and parents and students about a range of issues. A wide range of businesses are engaged to provide work experience for pupils and some larger business are also involved in developing vocational training opportunities for sixth form pupils. The Trust is currently working with IBM to develop a training and work experience programme aimed at encouraging students from disadvantaged groups into the IT industry. The Trust also engages with a range of educational bodies in a supportive/advisory and consultative capacity. The Trust is represented on the local Schools Forum and other sector bodies, takes a lead in teaching school activities in the borough and now, as a teaching school hub, across four west London boroughs. The Trust also encourages staff to support examining bodies with marking and other activities. The Trust works with the local authority in support of its obligations in areas such as transport planning, public health and sports development and also works with sports governing bodies to promote community sport. Trust schools are also engaged with local voluntary and community groups including their own parents/teachers/friends associations, churches and local and international charities who benefit from various fundraising activities. Over £30,000 has been raised by pupils for a partner school in Mozambique in recent years.

Objectives and Activities

Objects and Aims

The objects of the Academies Trust are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- Other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England. In the furtherance of these objects the Trust may provide educational facilities and services to the wider community for the public benefit.

The Academies Trust takes as its motto, 'I have come that you should have life and life in all its fullness'. The text is taken from John chapter 10 verse 10 and from this the Trust has created the 10:10 Ethic which is the principle that informs all the Academies Trust schools. We believe that:

- All individuals have God-given gifts which they can develop for the good of others.
- All individuals do bad things sometimes but that it is not acceptable to believe that anyone has to stay in a 'bad place'.
- All individuals can find their valued place within the community.

Objectives, Strategies and Activities

The Trust's current strategic goals are to:

- Achieve 'Outstanding' grading (in SIAMS & Ofsted inspections) at all Trust schools. Twyford C of E High School was inspected by OFSTED in May 2012 and retained its 'outstanding' grade. William Perkin C of E High School was inspected by OFSTED in June 2015 and was graded 'outstanding'. Ealing Fields High School was inspected in June 2019 and received a grading of 'good'. We await the first OFSTED inspection of Ada Lovelace C of E High School. Twyford C of E High School was graded outstanding by SIAMS in April 2017. The other Trust schools await a SIAMS inspection.
- Establish a centre of excellence for teaching and learning in five specialisms (Music, Languages, Science, RE/Ethics and Computing). Music, Languages and RE/Ethics specialisms are well established at Twyford C of E High School and William Perkin C of E High School has Science, Languages and RE/Ethics as specialisms. Ada Lovelace C of E High School and Ealing Fields High School are each developing their own specialisms in Computing and RE/Ethics respectively. Music and Languages specialisms are supported by specialist staff operating at Trust level across all schools and performance is closely monitored using a number of indicators to ensure a continuous improvement in standards.
- Developing the Teaching School as a core function within the Trust schools. The Trust was awarded Teaching School status in April 2013 as lead school for the Ealing Teaching School Alliance. The Trust was awarded teaching school hub status (replacing the former designation) in April 2021 has taken on the wider remit for teacher training and development in over 300 schools in Ealing, Harrow, Hillingdon and Hounslow under the name Teach West London.
- Expand Trust provision in a managed and sustainable way.
 - William Perkin C of E High School now has all year groups present and aims to further grow sixth form numbers from 332 (autumn 2020) towards 400.
 - Ealing Fields High School joined the Trust on 1st September 2017 as it entered its second year of operation. The school moved into its permanent site in September 2020 which has allowed year 7 admissions to increase to 150. There are currently (autumn 2021) 670 pupils on roll. The 2016 cohort of pupils has now passed through the school, achieving excellent GCSE results in the summer of 2021, and on to further studies elsewhere, there being no plans currently to open a 6th Form at the school. Pupils achieving entry grades have priority for a sixth form place at other Trust schools.
 - The Trust opened Ada Lovelace C of E High School in September 2018 in the William Perkin C of E High School building with a reduced first year group of 125 pupils. The school has now moved into its own building and year 7 admissions have increased to 200. Currently (autumn 2021) the school has 660 on roll and plans are being developed to open a sixth form specialising in computing/digital media in 2023.
 - Further progress has been made in establishing and strengthening central support functions, ensuring that in the long run all Trust schools benefit from economies of scale.

DIRECTORS' REPORT (continued)

Public Benefit

In setting objectives and planning activities, directors of the Trust have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. Trust schools admit pupils from the London Borough of Ealing and neighbouring boroughs. Admission criteria vary between schools. Twyford C of E High School primarily admits pupils based on church attendance criteria and attendance at other world faith places of worship criteria. William Perkin C of E High School, Ealing Fields High School and Ada Lovelace C of E High School primarily admit pupils on the basis of distance criteria. Trust schools also provide places for pupils demonstrating an aptitude in specialist subjects. All Trust schools provide places for pupils with special educational needs and Twyford C of E High School and William Perkin C of E High School provide additionally resourced provision for children with autistic spectrum disorders. The Trust continues to provide public benefit to the local community through its many activities - including provision of facilities to clubs and supplementary schools - involving not just its pupils but also a broad cross-section of the general public.

Streamlined Energy and Carbon Reporting (SECR)

UK energy use and associated greenhouse gas emissions

The Trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas ("GHG") emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary. This includes all 4 school sites controlled during the reporting period, along with minibuses and personal vehicles used for business mileage ("grey fleet").

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity and gas consumption has been compiled from invoice records, with some pro-rating to match the reporting period. Transport data related to minibuses and grey fleet has been estimated. Solar PV generation has been estimate, with all of the energy assumed to be self-consumed due to the systems sizes. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2021	2020
Mandatory requirements:		
Gas	4,495,137	2,379,970
Electricity purchased from the grid	1,922,588	1,513,661
Transport fuel	3,129	43,672
Total energy (mandatory)	6,420,854	3,937,303
Voluntary requirements:		
Consumed electricity from on-site renewable sources	201,995	26,400
Total energy (voluntary)	201,995	26,400
Total energy (mandatory and voluntary)	6,622,849	3,963,703

DIRECTORS' REPORT (continued)

Breakdown of emissions associated with the reported energy use (tCO ₂ e)	2021	2020
Mandatory requirements:		
Scope 1		
Natural gas	823	438
Transport - Trust owned vehicles (minibuses)	1	8
Scope 2		
Purchased electricity (location based)	408	353
Scope 3		
Transport - business travel in employee owned vehicles	0	3
Total gross emissions (mandatory)	1,232	802
Intensity ratios (mandatory emissions only)		
Tonnes of CO ₂ e per pupil	0.309	0.225
Voluntary requirements:		
Scope 1		
Solar PV	0	0
Total gross emissions (voluntary)	0	0
Total gross emissions (mandatory and voluntary)	1,232	802

Intensity Ratio

The primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil, which is the recommended ratio for the sector for consistency and comparability. Pupil numbers are based on the Autumn 2021 Census.

Tonnes of CO ₂ e per pupil	2021	2020
Twyford C of E High School	0.281	0.240
William Perkin C of E High School	0.264	0.232
Ada Lovelace C of E High School	0.493	Not applicable
Ealing Fields High School	0.339	0.135
All schools and transport	0.309	0.225

Energy efficiency action during current financial year

Emissions per pupil this year were higher due to new sites coming into use for schools not yet at their capacity. Furthermore, energy efficiency was affected by schools needing to have windows open for ventilation as part of their COVID-19 response. Figures for both 2020 and 2021 have also been affected by periods of enforced site closure due to the pandemic.

The Trust is committed to reducing longer term emissions and this year has seen the implementation of numerous energy efficiency measures, some of which include:

Twyford C of E School

- Essential works to replace older boiler models were completed
- Submission of a bid for government funding to pay for a full Heating Decarbonisation Plan for the site
- Stage lighting was replaced with low energy alternatives
- Replacement of over 100 desktop PCs with lower energy laptops
- A student 'eco' group has been formed which interviews staff on energy accountability

William Perkin C of E High School

- Replacement of Sports Hall lighting with a lower energy alternative
- Currently installing air source heat pump heating for an extension
- Installation of an additional EV charging point

Ada Lovelace C of E High School

- Building replaces a temporary block
- Achieves BREEAM excellent
- Installed EV charging points and PV panels

Ealing Fields

- Energy inefficient temporary accommodation has been replaced with a new building meeting the BREEAM excellent standard.
- The new building includes EV charging points and PV panels

DIRECTORS' REPORT (continued)

Strategic Report

Achievements and Performance

Key targets for 2020/21 and performance against them are shown below:

- Outstanding school standards. Pupils have continued to achieve very well against national benchmarks and grade targets set for them across year groups in all four schools. At key stage 4, Ealing Fields High School joined Twyford C of E High School and William Perkin C of E High School in producing outstanding Progress 8 scores (+0.64, +0.9 and +0.74 respectively) and Twyford C of E High School and William Perkin C of E High School both achieved ALPS 2 for key stage 5 results (which places them in the top 10% nationally). External assessments were based on teacher assessed grades due to the disruption caused by the pandemic. Pupils at Ada Lovelace C of E High School have not yet taken external exams but comparison of internal assessments against the other schools indicates that comparable progress is being made.
- Outstanding provision of Specialisms. Specialisms generally performed very well. During the year Trust level leadership and support for specialisms was further developed. Pupil achievement is closely monitored and compared between schools and across the specialist areas achievement compares well with national averages. Provision has been disrupted due to the pandemic but as far as possible, teaching and learning (including instrumental tuition) continued online.
- Outstanding delivery of Teaching School activities. All of the Trust's trainee teachers have completed and progressed this year. Other staff development initiatives continued during the year but some were interrupted or delayed by pandemic restrictions. Recruitment of the next cohort of trainee teachers has been good. The Trust has now commenced teaching school hub activities including coordination of the Early Careers Framework for new teachers and National Professional Qualifications for aspiring school leaders across 4 west London boroughs. So far Teach West London has registering about 1,000 trainee and mentor participants on the ECF programme and 100 on the NPQ programme for the first year.
- Outstanding support functions and resourcing. The Trust support functions have maintained a high standard of services as indicated by positive feedback from the annual staff survey. During the year activity was focused on establishing support systems for the two growing schools moving into their new buildings. Despite the pandemic this has largely been achieved. In addition, the teams have met the demands of enabling and supporting remote working and teaching and learning through a range of new procedures and ensuring that sites were ready and safe for opening/re-opening following periods of closure.

The coronavirus pandemic disrupted many aspects of school life during the year. On top of the normal targets we set ourselves, our schools had to manage a high level of absence of staff and students, the delivering of lessons online for whole classes or some students in a class, changes to school timetables and routines, the introduction of testing and vaccination programmes, the distribution and management of laptops for home use by students, changes to free school meal arrangements and organising catch up activities such as one-to-one tutoring. Our staff showed enormous dedication and resilience during the year, enabling the continued delivery of education to our students to a high standard and in safety. For this we are thankful. There were both negative and positive financial impacts. It wasn't necessary to change the reserves policy.

Key Performance Indicators

The Trust monitors performance against targets for a range of key performance indicators four times in the year, covering Pupil Progress, Quality of Teaching and Learning, Behaviour, Training and Financial Performance. Some indicators were impacted by the pandemic. For 2020/21, Pupil Progress targets were substantially met across all key stages at all three schools in all but a few subjects. Highlights were the exceptional Progress 8 results and retaining ALPS 2 for sixth form provision at both Twyford C of E High School and William Perkin as mentioned above. Progress 8 represents grades above national average. For Twyford C of E High School it was 0.9 (2020 1.05) and for William Perkin C of E High School it was 0.74 (2020 1.36).

Pastoral indicators are also good. Internal and external exclusions remain low at Trust schools compared to other local schools. For example, at Twyford C of E High School external exclusions were 1.19% (2020 2.1%). Teaching and Learning is closely monitored through regular observations and checks and has mostly met targets: Nearly all graded lesson observations were good or outstanding. Training has fully met targets and financial performance targets (covering net worth, liquidity, surplus and efficiency) have also been largely met (see details of performance against the net worth/reserves KPI below).

Going Concern

After making appropriate enquiries, reviewing financial forecasts and projected cash balances, the directors of the Trust have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the Trust

The Directors of the Trust confirm that throughout the year they have acted in a way most likely to promote the success of the Trust in achieving its charitable objectives, as set out in the Objects and Alms section of this report. In doing so the Directors have taken a long term view, have endeavoured to achieve the highest standards of business of conduct, and have taken into account the interests of employees, suppliers, the community and other stakeholders as set out in the sections of this report relating to engagement with employees and other stakeholders. To support this, all decisions are assessed for their impact on environmental sustainability and equality and diversity. In considering risks and mitigation measures, Directors have considered the importance of maintaining a reputation of high standards as well as maintaining strong finances. Governance arrangements have been structured to ensure that the interests of Directors and Members are properly represented and balanced.

DIRECTORS' REPORT (continued)

Financial Review

It is the Trust's key financial management policy objective to maintain credit balances on general reserves for each school and for the Trust overall to ensure operating activities can be sustained. More detail is provided in the Reserves Policy section below. Most of the Trust's income is received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants which have to be used to meet the education and support running costs of the Trust's schools. The grants received in 2020/21 and associated expenditure are shown in the Statement of Financial Activities and note 19. During the year ended 31 August 2021, income exceeded expenditure by £18,728,000 (2020 £25,000) after taking account of the actuarial loss of £749,000 (2020 £137,000 actuarial gain) on the Local Government Pension Scheme and the receipt of donated assets valued at £20m. Net income excluding fixed asset funds, other restricted reserves (voluntary donations), the pension deficit and transfers to other funds - a more meaningful indicator of recurring operational performance - was £1.090m (2020 £1.076m). The financial performance of the Trust was impacted in the year by the periods of disruption which overall had a negative financial impact mainly because of additional staff cover and premises costs and loss of premises hire income.

The net book value of fixed assets at 31 August 2021 was £48.746m (2020 £27.952m). This comprised the deemed cost of Twyford C of E High School land and buildings for which the Trust enjoys the risks and rewards of ownership (while not formally owning a freehold or leasehold interest), additions in the year of £22.066m (2020 £504,000) representing £20m of assets donated to the Trust by the Department for Education on the completion of new permanent sites for Ada Lovelace C of E High School and Ealing Fields High School and other additions funded from revenue income, capital grants from the ESFA and other capital funding, depreciation deducted of £1.207m (2020 £1.046m). Apart from letting for community use, assets were used exclusively for providing education and associated support services to the pupils of the Trust's schools.

Reserves Policy

At 31 August 2021 the Trust held reserves of £44.616m (2020 £25.888m) - comprising a fixed asset reserve of £49.414m (2020 £29.248m), working capital (including cash) backed reserves and a pension scheme reserve £7.689m in deficit (2020 £6.052m in deficit). As a reserves key performance indicator, the Trust aims to hold general annual grant funds and unrestricted funds of between 4% and 6% of general funds income for each school and for the Academies Trust overall to provide funding to meet unexpected losses of income or additional costs. General reserves in excess of this are accumulated for reinvestment in premises and capital equipment. As the table below shows, this KPI was achieved in 2020/21 for all schools. The Trust also aims to maintain cash reserves equivalent to at least 25 cash days to meet unexpected requirements. This target was comfortably met. Cash reserves include other restricted funds of £272,000 (2020 £353,000). This is mainly parental donations raised to help fund facilities improvements and additional equipment. Unrestricted reserves of £542,000 (2020 £481,000) have been generated mainly from hiring out premises. The pension fund reserve deficit of £7.689m (2020 £6.052m) has arisen as a result of longer life expectancies and lower expected returns on assets and a higher present value of future liabilities than previously envisaged. In 2013, Trust directors decided to un-pool the Trust's scheme from that of the London Borough of Ealing. Following the latest 3-yearly actuarial revaluation of the scheme, the Trust pays an annual contribution of £104,000 (2020 £92,000) in addition to normal funding levels to recover the deficit over a period of 17 years from 2017. Further details of reserve balances are shown in note 19.

Reserves Key Performance Indicators	2021			2020		
	General Annual Grant Funds and Unrestricted Income Funds* £000s	General Funds Incoming Resources £000s	Funds as a % of Incoming Resources %	General Annual Grant Funds and Unrestricted Income Funds* £000s	General Funds Incoming Resources £000s	Funds as a % of Incoming Resources %
Twyford C of E High School	851	10,079	8.4%	523	9,440	5.5%
William Perkin C of E High School	1,049	9,033	11.6%	1,231	8,919	13.8%
Ada Lovelace C of E High School	218	3,379	6.5%	317	1,864	17.0%
Ealing Fields High School*	493	4,627 *	10.7%	274	3,435 *	8.0%
Central Trust Functions	(8)	186	Not applicable	(10)	123	Not applicable
Academies Trust	2,603	27,304 *	9.5%	2,335	23,781 *	9.8%

* Special DfE funding for rent and temporary building hire costs has been excluded from these calculations.

Reserves in excess of the target level are currently being invested in an £800,000 extension to William Perkin C of E High School to provide a 6th Form Study Centre. A transfer of £308,000 (2020 £Nil) from general reserves relates to this project. The fixed asset reserve includes £420,000 of funding from sporting bodies to fund improvements to the sports hall at William Perkin C of E High School to create the Wilf Slack Cricket Centre and £80,000 from Innovate, the Trust's catering contractor, to fund improvements to dining facilities at Twyford C of E High School and William Perkin C of E High School.

Investment Policy

Directors' investment powers are set out in the Articles of Association and allow funds not immediately required for the furtherance of its objectives to be invested in such instruments as are considered suitable and diverse by a competent financial expert with performance being regularly reviewed by directors. The Trust has adopted a Treasury Management Policy which requires that surplus funds are invested in money market and deposit accounts with a Fitch rating of F1/A or higher, for a period not exceeding one year. Where other criteria are met, the policy favours ethical investments.

DIRECTORS' REPORT (continued)

Principal Risks and Uncertainties

The Trust has adopted a risk management policy which seeks to avoid or mitigate risks representing barriers to the achievement of strategic objectives where it is economic to do so. The Trust relies on the ESFA for most of its income - which is received monthly - and keeps surplus funds in low risk bank deposits. Providing the terms of the funding agreement are complied with it is not envisaged that the Trust faces substantial risk to cash flow or liquidity.

The main risks the Trust faces - identified through the risk management process - are:

- Risk of continued/further disruption to its operations due to the current Coronavirus pandemic. Extensive action has been taken to mitigate this including investment in IT systems to support remote working and remote teaching and learning and measures to minimise the risk of infection on school sites.
- Risk of being unable to recruit suitably skilled staff. To help ensure a continuing supply of high quality teachers and leaders, the Trust is working to expand its initial teacher training activities and also improving continuing professional development for existing staff through its work as a teaching school hub.
- Risk of failing to achieve pupil enrolment targets. Sixth form enrolments are subject to uncertainty as students can hold multiple offers until courses start with impunity. This can have a big impact on funding. The first years of enrolments to the William Perkin C of E High School sixth form have been close to target and show an increase in external applicants. As pupils progress to existing Trust sixth forms from Ealing Fields this should reduce this risk somewhat. The Trust also faces a degree of risk as it recruits pupils for its new schools, Ealing Fields High School and Ada Lovelace C of E High School. Both schools are currently oversubscribed.
- Risk of an adverse change in school funding policy or methodology. Government funding constraints and the introduction of a National Funding Formula are affecting the Trust's finances. Funding of schools may come under pressure if action is needed to improve public finances following the pandemic.
- Risk of a failure of pastoral care systems/safeguarding. The Trust has well developed systems which help keep pupils and staff safe. Nevertheless, as is the case for all schools, this remains a significant risk to the wellbeing of pupils and the reputation and finances of the Trust and steps are being taken to further strengthen these systems.

Fundraising

The Academies Trust raises funds for the furtherance of its own objects and for other charities. Each year parents are invited by letter to contribute regular donations to a fund held for each school. These funds are overseen by school governing bodies and are used to provide or improve school facilities which would not otherwise be provided or improved due to constraints on other funding sources. Pupils are encouraged to participate in raising funds for good causes through a range of 'enterprise day' activities and an annual sponsored walk. The Trust's activities comply with recognised standards and do not involve the use of external/professional fundraisers. The Trust encourages and works with associations of Parents, Teachers, Students and Friends which raise funds for the schools but is independent of these associations. The pandemic has meant that some fundraising events could not go ahead but direct parental donations have been largely unaffected so far. We are careful to ensure that fundraising communications are worded in such a way that they do not put undue pressure on recipients who may be vulnerable and make clear that donations are voluntary. We have not received any complaints about fundraising activities.

Plans for Future Periods

As previously outlined in the Objectives, Strategies and Activities section above, the Trust is managing the continued growth of Ealing Fields High School and Ada Lovelace C of E High School as well as the further development of the William Perkin C of E High School sixth form. In the long term the Trust aims to establish itself as a successful multi-academy trust with up to five outstanding high schools in close proximity. In the shorter term the Trust aims to establish the two new school sites as high quality educational establishments and mitigate the risks and disruption associated with the pandemic as far as possible.

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to Auditors

In so far as the Directors are aware:

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

The Directors' Report is approved by order of the Board of Directors and the Strategic Report (included therein) is approved by the Board of Directors in their capacity as the Directors at a meeting on 8th December 2021 and signed on its behalf by:

Dr Michael Cross
Chair of Directors
8 December 2021



GOVERNANCE STATEMENT

Scope of Responsibility

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

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

The Board of Directors has delegated the day-to-day responsibility to the Executive Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Twyford Church of England Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. No Directors resigned during the year and no new Directors were appointed. Mr Andrew Bickley stood down as Chair in October 2020 and Dr Michael Cross was elected to the position. During the year the Board received reports covering the full range of the Academies Trust's activities including strategy, pandemic risks and mitigation measures, pupil progress and pastoral care, health and safety, finances, staffing and improvements to facilities. All directors sit on a school governing body of and are able to both bring scrutiny to the school and see the impact of the Trust's policies within each school. Directors and members meet during the year and members sit on the Audit and Risk Committee which covers financial audit, governance, compliance, (including safeguarding and data protection) and internal scrutiny.

Governance Reviews

The last major review of governance arrangements was carried out in 2017 when changes were made to the Scheme of Delegation. In the last year, the establishment of the Teach West London prompted some minor changes to the scheme of delegation. Board self-evaluation has, hitherto, been largely carried out in the context of the annual review of sub-committees' terms of reference and the appointment of new Directors. A more systematic, annual self-evaluation of performance by the Board is being introduced in 2021. This will include a review of the skill set of Directors, the effectiveness of meetings and training needs.

The Board of Directors has formally met 5 times during the year. Additional sub-committee meetings (see below) ensure sufficient

Director	Meetings Attended	Out of a possible
Ms Hilary Belden	5	5
Mr Andrew Bickley	5	5
Dr Michael Cross (Chair)	5	5
Dr Neil Evans	5	5
Mrs Louise Gibb	5	5
Mr John Goddard	5	5
Mrs Emma Harniman	5	5
Dame Alice Hudson (Executive Headteacher)	5	5
Dr Jenny Stevens	5	5

Members have attended meetings during the year as appropriate.

The Resources Committee is a sub-committee of the Board. Its purpose is to review the Trust's finances and resources. Attendance at Resources Committee meetings in the year was as follows:

Director	Meetings Attended	Out of a possible
Ms Hilary Belden	5	5
Mr Andrew Bickley (Chair)	5	5
Dr Michael Cross	5	5
Mrs Louise Gibb	5	5
Mr John Goddard	5	5
Dame Alice Hudson (Executive Headteacher)	5	5

The Audit and Risk Committee is a sub-committee of the Board. Its purpose is to review the work of the Trust's auditors and risk management. Attendance at Audit and Risk Committee meetings in the year was as follows:

Director	Meetings Attended	Out of a possible
Dr Michael Cross	3	3
Dr Neil Evans	3	3
Mr John Goddard	3	3
Mrs Christine Peppiatt	2	3
Mr Inigo Woolf (Chair)	3	3

The Pay Committee is a sub-committee of the Board. Its purpose is to review and approve staff pay recommendations. Attendance at Pay Committee meetings in the year was as follows:

Director	Meetings Attended	Out of a possible
Mr Andrew Bickley	2	2
Dr Michael Cross	2	2
Mr John Goddard	1	2
Dr Jenny Stevens	2	2

GOVERNANCE STATEMENT (continued)

Review of Value for Money

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

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

- Maintaining (and in some areas improving) educational outcomes while funding has not kept pace with cost increases. Both Twyford C of E High School and William Perkin C of E High School have achieved excellent exam results at GCSE and A Level;
- Better purchasing. A number of competitive procurement exercises were run during the year and good terms were secured;
- Better income generation. The contribution from letting premises to community groups has increased particularly at William Perkin C of E High School thanks to improved facilities, although the pandemic has had an impact on this;
- Being more efficient. The Trust has achieved economies of scale by not increasing support functions proportionately as the number of pupils enrolled increases. Greater efficiency has also been achieved by restructuring curriculum options and reorganising administrative functions. These have enabled the Trust to continue to deliver outstanding outcomes with amongst the lowest per pupil funding in the Borough.

The Trust's use of resources is closely monitored by the Resources Committee of the Directors. The Committee contains expertise in finance, procurement and human resource management.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Twyford Church of England Academies Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

The Risk and Control Framework

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

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

The Board of Directors have commissioned Buzzacott LLP to carry out a programme of internal scrutiny work. This year the programme covered the operation of core financial and payroll control systems and compliance with the Academy Trust Handbook. Reports were reviewed by Directors in June 2021. This programme was completed as planned and complied with the ESFA's requirements. No high priority issue were identified. All recommendations are being implemented.

Review of Effectiveness

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

- the findings from the internal scrutiny work;
- the work of the external auditor;
- the work of the executive managers within the academy trust 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 Audit and Risk 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 Directors on 8th December 2021 and signed on its behalf by:



Dr Michael Cross
Chair of Directors



Dame Alice Hudson
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Twyford Church of England Academies Trust I have considered my responsibility to notify the Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding received by the Trust, under the funding agreement in place between the Academies Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Trust Board of Directors are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Academies Trust's funding agreement and the Academies Financial Handbook 2020.

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 Directors and ESFA.



Dame Alice Hudson
Accounting Officer

8th December 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors who are also the Trustees of Twyford Church of England Academies Trust for the purposes of charity law are responsible for preparing the Directors' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued 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 directors to prepare financial statements for each financial year. Under company law the directors 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors 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 Directors 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 the ESFA/DfE have been applied for the purposes intended.

The Directors 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 Directors on 8th December 2021 and signed on its behalf by:



Dr Michael Cross
Chair of Directors

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TWYFORD CHURCH OF ENGLAND ACADEMIES TRUST YEAR ENDED ON 31 AUGUST 2021

Opinion

We have audited the financial statements of Twyford Church of England Academies Trust (the "charitable company") for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2020 to 2021 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors' are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 Directors' Report and the Strategic Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TWYFORD CHURCH OF ENGLAND ACADEMIES TRUST YEAR ENDED ON 31 AUGUST 2021 (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Directors' Report.

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

- adequate accounting records have not been kept, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 13, the directors (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Directors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TWYFORD CHURCH OF ENGLAND ACADEMIES TRUST YEAR ENDED ON 31 AUGUST 2021 (continued)

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

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

RSM UK Audit LLP

Anna Spencer-Gray FCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
West Midlands B2 5AF

Date 10/12/21

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2021
(including Income & Expenditure Account)

	Notes	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total 2021 £000s	Total 2020 £000s Note 2
Income and endowments from:						
Donations and capital grants	4	-	215	20,460	20,675	530
Charitable activities:						
Funding for the Academies Trust's educational operations	5	-	27,590	-	27,590	24,046
Funding for the Teaching School	32	-	185	-	185	108
Other trading activities	6	87	-	-	87	153
Investments	7	-	1	-	1	5
Total		87	27,991	20,460	48,538	24,842
Expenditure on:						
Raising Funds	8	51	-	-	51	97
Charitable activities:						
The Academies Trust's educational operations	9	-	27,552	1,273	28,825	24,749
Teaching School	9, 32	-	185	-	185	108
Total		51	27,737	1,273	29,061	24,954
Net income/(expenditure)		36	254	19,187	19,477	(112)
Transfers between funds	19	25	(1,004)	979	-	-
Other recognised (losses)/gains:						
Remeasurement of net defined benefit obligations	29	-	(749)	-	(749)	137
Net movement in funds		61	(1,499)	20,166	18,728	25
Reconciliation of funds						
Total funds brought forward	19	481	(3,841)	29,248	25,888	25,863
Total funds carried forward		542	(5,340)	49,414	44,616	25,888

BALANCE SHEET as at 31 August 2021

Company Number 07648968

	Notes	2021 £000s	2020 £000s
Fixed assets			
Tangible assets	14	48,745	27,952
		<u>48,745</u>	<u>27,952</u>
Current assets			
Debtors	15	2,623	2,659
Cash at bank and in hand		4,244	2,267
		<u>6,867</u>	<u>4,926</u>
Current Liabilities			
Creditors: amounts falling due within one year	16	(3,277)	(888)
		<u>3,590</u>	<u>4,038</u>
Net current assets		3,590	4,038
Total assets less current liabilities		52,335	31,990
Creditors: amounts falling due after more than one year	17, 18	(30)	(50)
Net assets excluding pension liability		52,305	31,940
Defined benefit pension scheme liability	29	(7,689)	(6,052)
Net assets		<u>44,616</u>	<u>25,888</u>
Funds of the Academies Trust:			
Restricted funds			
Fixed asset fund	19	49,414	29,248
General funds	19	2,077	1,854
Other funds	19	272	357
Pension reserve	19	(7,689)	(6,052)
Total restricted funds		<u>44,074</u>	<u>25,407</u>
Unrestricted income funds	19	542	481
Total Funds		<u>44,616</u>	<u>25,888</u>

The financial statements on pages 17 to 39 were approved by the Board of Directors, and authorised for issue on 8th December 2021 and were signed on its behalf by:



Dr Michael Cross
Chair of Directors

STATEMENT OF CASH FLOWS for the year ended 31 August 2021

	Notes	2021 £000s	2020 £000s
Cash flows from operating activities			
Net cash from operating activities	23	2,944	143
Cash flows from investing activities	24	(947)	723
Cash flows from financing activities	25	(20)	(20)
		<hr/>	<hr/>
Net increase in cash and cash equivalents in the reporting period		1,977	846
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		2,267	1,421
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		4,244	2,267
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

1. Statement of Accounting Policies

General Information

Twyford Church of England Academies Trust is a charitable company limited by guarantee incorporated in England and Wales. The address of the Trust's principal place of business is given on page 1. The nature of the Trust's operations are set out in the Director Report.

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

Basis of Accounting

The financial statements of the Academies Trust, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Twyford Church of England Academies Trust is a public benefit entity under FRS 102 and therefore has applied the relevant public benefit requirements of FRS102.

The financial statements are presented in sterling which is also the functional currency of the Academies Trust. Monetary amounts in these financial statements are rounded to the nearest whole £1,000 except where otherwise indicated.

Going Concern

The Directors assess whether the use of going concern is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Directors have reviewed a 5-year financial forecast for the Trust - including a sensitivity analysis and a 2-year cashflow forecast which indicates that financial targets will continue to be met. Cash balances currently exceed £4m and are forecast to remain positive. The Trust is primarily funded by the ESFA and the amount of funding for 2021/22 is nearly all known and guaranteed. Funding is expected to increase over the next 5 years as capacity increases in the growing schools and all Trust schools remain oversubscribed. On the strength of this evidence the Directors have concluded that the academy trust has adequate resources to continue in operational existence for the 12 months from the date that the financial statements are authorised for issue and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

The 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 period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement when performance related conditions have been met and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Income (continued)

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 at fair value of consideration received or receivable in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated fixed assets (excluding transfers on conversion/into the academy trust)

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

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.

Expenditure on Raising Funds

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

Charitable Activities

These are costs incurred on the academy trust's educational operations to further its charitable aims for the benefit of its beneficiaries, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the Statement of Financial Activities as incurred.

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 at rates calculated to write-off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	26 years
Leasehold buildings	60 years (or the term of the lease if this is shorter)
Leasehold land	The term of the lease (125 years/25 years)
Furniture and equipment	10 years
Computer equipment	4 years - 10 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and condition expected at the end of its useful life.

Land and buildings for which the Trust has the rights and responsibilities of ownership are treated as freehold land and buildings. Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Tangible Fixed Assets (continued)

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.

Liabilities

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

Provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised as a finance costs in the period it arises in the Statement of Financial Activities and is allocated to the appropriate expenditure heading.

Leased Assets

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

Financial Instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial Assets and Liabilities

Financial assets and financial liabilities are recognised when the Academies Trust becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the financial instrument's contractual obligations rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Amounts classified as other loans are Salix loans. These are concessionary loans under SORP FRS 102 as they are loans that have been advanced to further the Academy Trust's charitable purposes at an interest rate that is below market rates. In line with SORP FRS 102 the Academy Trust has chosen to initially measure at transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

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

Pensions Benefits

Retirement benefits to employees of the Academies Trust are provided by the Teachers' Pension Scheme ('TPS'), the Local Government Pension Scheme ('LGPS') and the Church of England Funded Pension Scheme ('CEFPS'). These are multi-employer defined benefit schemes.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Pensions Benefits (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method. As stated in note 29, the TPS is an unfunded multi-employer scheme but there is insufficient information available to use defined benefit accounting. It is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded scheme and the assets are held separately. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income 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 as other comprehensive income.

Actuarial gains and losses are recognised immediately as other comprehensive income.

The CEFPS is a funded scheme and the assets are held separately from those of the Trust in separate trustee administered funds. The Trust is unable to identify its share of the underlying assets and liabilities since each employer in the scheme pays a common contribution rate. The CEFPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year. The present value of future deficit recovery contributions notified by the scheme administrator are included in staff costs and other creditors.

Termination Benefits

Termination benefits to employees of the Academies Trust are charged to the Statement of Financial Activities as incurred.

Fund Accounting

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

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 and other funds mainly comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency and the Department for Education.

Agency Arrangements

The Academies Trust acts as an agent in the distributing of 16-19 bursary funds from the Education and Skills Funding Agency (ESFA). Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Trust does not have control over the charitable application of the fund. The allowance of 5% as a contribution to administration costs and contributions to the cost of school trips and equipment is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included in creditors. The funds received and paid and any balances held are disclosed in note 30.

The Academies Trust also acts as an agent in distributing School Direct funding from the Department for Education. Related payments received from the Department for Education and subsequent disbursements to partner schools in the Ealing Teaching School Alliance and teacher training colleges are excluded from the Statement of Financial Activities to the extent that the Trust does not have a control over the charitable application of the fund. Funding for trainee teachers employed in Trust schools is retained by the Trust. Where funds have not been fully applied in the year then an amount will be included in amounts due to the Department for Education.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The majority of the Trust's income is from the Education and Skills Funding Agency. Where grants have been received during the year these have been recognised where there is entitlement. Therefore, apart from the Local Government Pension Scheme defined benefit liability the Trust has not been required to make any areas of critical judgement in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

2 Prior year statement of financial activities

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total 2020 £000s
Income and endowments from:				
Donations and capital grants	-	223	307	530
Charitable activities:				
Funding for the Academies Trust's educational operation	-	24,046	-	24,046
Funding for the Teaching School	-	108	-	108
Other trading activities	153	-	-	153
Investments	-	5	-	5
Total	153	24,382	307	24,842
Expenditure on:				
Raising Funds	97	-	-	97
Charitable activities:				
The Academies Trust's educational operation:	42	23,661	1,046	24,749
Teaching School	-	108	-	108
Total	139	23,769	1,046	24,954
Net income/(expenditure)	14	613	(739)	(112)
Transfers between funds	-	(175)	175	-
Other recognised losses:				
Remeasurement of net defined benefit obligations	-	137	-	137
Net movement in funds	14	575	(564)	25
Reconciliation of funds				
Total funds brought forward	467	(4,416)	29,812	25,863
Total funds carried forward	481	(3,841)	29,248	25,888

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to a limit at 31 August 2021 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academies Trust did not exceed these limits during the year ended 31 August 2021

4 Donations and Capital Grants

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total 2021 £000s	Total 2020 £000s
Fixed asset donation	-	-	20,320	20,320	-
Capital grants	-	-	140	140	307
Other donations	-	215	-	215	223
	<u>-</u>	<u>215</u>	<u>20,460</u>	<u>20,675</u>	<u>530</u>

5 Funding for the Academies Trust's Educational Operations

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total 2021 £000s	Total 2020 £000s
DfE/ESFA revenue grants					
General Annual Grant (GAG) (note 3)	-	22,782	-	22,782	20,623
Post-opening grant	-	221	-	221	426
Ealing Fields High School rent costs funding	-	521	-	521	575
Ealing Fields High School temporary building hire funding	-	118	-	118	-
Other DfE/ESFA grants	-	1,958	-	1,958	798
	<u>-</u>	<u>25,600</u>	<u>-</u>	<u>25,600</u>	<u>22,422</u>
Other Government grants					
Local authority grants - Special Education Needs	-	1,041	-	1,041	893
Exceptional government funding					
Coronavirus exceptional support	-	461	-	461	8
	<u>-</u>	<u>1,502</u>	<u>-</u>	<u>1,502</u>	<u>901</u>
Other					
Other income from the Academies Trust's educational operations	-	488	-	488	723
	<u>-</u>	<u>488</u>	<u>-</u>	<u>488</u>	<u>723</u>
Total	<u>-</u>	<u>27,590</u>	<u>-</u>	<u>27,590</u>	<u>24,046</u>

Coronavirus funding includes reimbursement for free school meal vouchers issued to eligible families in January 2021, funding for carrying out asymptomatic testing and tutoring/catch up activities.

6 Other Trading Activities

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total 2021 £000s	Total 2020 £000s
Hire of facilities	87	-	-	87	153
	<u>87</u>	<u>-</u>	<u>-</u>	<u>87</u>	<u>153</u>

7 Investment Income

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total 2021 £000s	Total 2020 £000s
Interest on short term deposits	-	1	-	1	5
	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

8 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
	£000s	Premises £000s	Other Costs £000s	2021 £000s	2020 £000s
Expenditure on raising funds					
Allocated support costs	51	-	-	51	97
Academy Trusts' educational operations					
Direct costs	19,271	-	738	20,009	17,208
Allocated support costs	2,852	2,322	3,642	8,816	7,541
The Teaching School (see also note 32)	166	-	19	185	108
Total	22,340	2,322	4,399	29,061	24,954

Net income/(expenditure) for the year includes:

		2021 £000s	2020 £000s
Operating lease rentals	- plant and machinery	278	309
Depreciation		1,207	1,046
Loss on disposal of fixed assets		66	-
Fees payable to RSM UK Audit LLP and its associates	- statutory audit	31	28
for	- audit related assurance	3	-
	- tax advice	1	4
Net interest on defined benefit pension liability (note 29)		103	95

9 Charitable Activities

	Educational Operations £000s	Teaching School £000s	Total 2021 £000s	Total 2020 £000s
Direct costs	20,009	141	20,150	17,301
Support Costs	8,816	44	8,860	7,556
	28,825	185	29,010	24,857

Analysis of support costs

Support staff costs	2,852	36	2,888	2,435
Depreciation	1,207	-	1,207	1,046
Technology costs	380	-	380	335
Premises costs	2,322	-	2,322	1,860
Legal Costs	10	-	10	5
Other support costs	2,031	8	2,039	1,843
Governance costs	14	-	14	32
Total Support Costs	8,816	44	8,860	7,556

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

10 Central Services

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

Strategic management and governance
Human Resources and Payroll services
Financial services
Information Technology and Data services
Professional and Legal services
Specialist curriculum support and outreach projects
Educational support services
Teaching School and Initial Teacher Training support

The Trust charges for these services, after deducting £185,000 (2020: £121,000) of income attributable to central services on the following basis
Flat percentage of directly attributable general funds income 7.4% (2020 6.4%) after deducting special DfE funding for premises rents and leases, matching project funds to expenditure and recharging £90,000 (2020 £72,000) from the schools to the Trust for the provision of office facilities.

The actual amounts charged during the year were as follows:

	2021 £000s	2020 £000s
Twyford C of E High School	690	548
William Perkin C of E High School	667	562
Ada Lovelace C of E High School	242	140
Ealing Fields High School	404	233
	2,003	1,483

11 Staff

Staff costs

Staff costs during the year were:

	2021 £000s	2020 £000s
Wages and salaries	16,292	13,965
Social security costs	1,824	1,543
Pension costs	3,503	2,999
	21,619	18,507
Agency staff costs	721	574
Staff restructuring costs	-	19
Total staff costs	22,340	19,100

Staff restructuring costs comprise:

Redundancy payments	-	19
	-	19

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2020 £19,000). Non-statutory/non-contractual severance payments are made in light of the circumstances and taking into account value for money.

Staff numbers

The average number of people employed by the Academies Trust during the year expressed as full time equivalents was as follows:

	2021 Number	2020 Number
Educational Operations		
Teachers	243	221
Administration and support	108	84
Management	31	25
	382	330

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

11 Staff (continued)

The average number of people employed by the Academies Trust during the year expressed as a headcount was as follows:

	2021 Number	2020 Number
Teachers	276	256
Administration and support	141	118
Management	32	25
	449	399

Higher Paid Staff

The number of employees whose benefits (excluding employer pension costs and National Insurance Contributions) exceeded £60,000 was:

	2021 Number	2020 Number
£60,001 - £70,000	34	20
£70,001 - £80,000	6	5
£80,001 - £90,000	3	2
£100,001 - £110,000	1	2
£110,001 - £120,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	46	30

The above employees participated in pension schemes and some were in more than one scheme. Forty (2020 twenty eight) of the employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2021, pension contributions for these staff amounted to £663,000 (2020 £457,000). Twenty four (2020 eleven) employees participated in the Local Government Pension Scheme and pension contributions for these employees amounted to £46,000 (2020 £21,000). No (2020 none) employees participated in the Church of England Funded Pension Scheme and pension contributions were nil (2020 nil). All three pension schemes are defined benefit schemes.

Key Management Personnel Compensation

The key management personnel of the Academies Trust comprise the trustees and the leadership team as listed on page 1. The total amount of employee benefits (including employer's pension contributions and employer's national insurance) received by key management personnel for their services to the Academies Trust was £817,000 (2020: £788,000).

12 Related Party Transactions - Directors' remuneration and expenses

One or more directors has been paid remuneration or has received other benefits from an employment with the Academies Trust. The Executive Headteacher only received remuneration in respect of services provided in undertaking the role of Executive Headteacher under her contract of employment. Other directors were not paid any remuneration nor received any other benefits from employment with the Academies Trust.

Dame Alice Hudson, Executive Headteacher and Director:

Remuneration £147,000 (2020 £135,000)

Employer's pension contributions paid £35,000 (2020 £32,000)

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil were reimbursed to no directors (2020: £Nil to no directors).

Other related party transactions involving the Directors are set out in note 30.

13 Directors' and Officers' Insurance

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

14 Tangible Fixed Assets

	Freehold Land and Buildings £000s	Leasehold Land and Buildings £000s	Leasehold Improvements £000s	Furniture and Equipment £000s	Computer Equipment £000s	Total £000s
Cost						
At 1 September 2020	10,578	19,675	956	617	1,846	33,672
Additions	144	20,320	629	86	887	22,066
Disposals	-	-	(51)	(35)	(4)	(90)
At 31 August 2021	10,722	39,995	1,534	668	2,729	55,648
Depreciation						
At 1 September 2020	2,952	1,351	36	219	1,162	5,720
Charge for year	423	339	35	75	335	1,207
Disposals	-	-	(7)	(14)	(3)	(24)
At 31 August 2021	3,375	1,690	64	280	1,494	6,903
Net book values						
At 31 August 2021	7,347	38,305	1,470	388	1,235	48,745
At 31 August 2020	7,626	18,324	920	398	684	27,952

It has not been possible to separate out the cost of computer software (an intangible asset) from computer hardware, so the combined costs are treated as a tangible fixed asset.

Freehold land and buildings at the Twyford C of E High School site were valued on transfer (1st October 2011) by Ian Naylor, BSc (Hons) MRICS of Sanderson Weatherall LLP on a depreciated replacement cost basis. Land was valued at £300,000. The property is held in trust for the school by the London Diocesan Board for Schools. William Perkin C of E High School occupies a new school building in Greenford. A 125 year lease was granted by the London Borough of Ealing on 14th October 2016 and prior to that the building was occupied under licence with substantially the same rights. The site was valued by Ian Naylor, BSc (Hons) MRICS of Sanderson Weatherall LLP on a depreciated replacement cost basis as at 31st August 2016. Land was valued at £715,000. Ealing Fields High School moved into a new site in south Ealing in September 2020. A 25 year lease was granted on 19th April 2017. Ada Lovelace C of E High School moved into a new site in central Ealing in September 2020. The site is subject to a 125 year lease which is expected to be signed in late 2021. Both sites were valued by Richard Greeves, BSc (Hons) MRICS of Dalton Warner Davis on a depreciated replacement cost basis as at 31st August 2021. The value of the Ealing Fields High School leasehold asset was £3,135,000 and the value of the Ada Lovelace C of E High School leasehold asset was £17,185,000. At 1st September 2020 the Trust was in possession of a temporary site previously occupied by Ealing Fields High School. The lease on this site was relinquished in September 2020 and is not included as a fixed asset.

15 Debtors

	2021 £000s	2020 £000s
Trade debtors	145	157
VAT recoverable	496	181
Other debtors	309	-
Prepayments and accrued income	1,673	2,321
	2,623	2,659

16 Creditors: amounts falling due within one year

	2021 £000s	2020 £000s
Trade creditors	2,395	314
Other creditors	406	136
Accruals and deferred income	476	438
	3,277	888

Included within other creditors is £20,000 relating to repayments due in the next year for a loan from SALIX. The loan was agreed in 2015, is interest free and repayable by half yearly instalments over a period of 8 years.

Deferred income

	2021 £000s	2020 £000s
Deferred income at 1 September	205	440
Resources deferred in the period	158	205
Amounts released from previous year	(205)	(440)
Deferred income at 31 August	158	205

£98,000 (2020 £75,000) of deferred income relates to income for music tuition fees and the remainder mainly relates to income received in advance from parents for trips and activities and for facilities hire taking place in the new school year.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

17 Creditors: amounts falling due after more than one year

	2021 £000s	2020 £000s
Other creditors	30	50
	30	50

Other creditors relates to repayments due after more than a year for a loan from SALIX. The loan was agreed in 2015, is interest free and repayable by half yearly instalments over a period of 8 years.

18 Loans

Included within creditors is a SALIX loan. The original loan principal of £160,000 was provided for energy improvements and was agreed in 2015. The loan is interest free and repayable by half yearly instalments over a period of 8 years.

Loan analysis

The loan is repayable as follows:

	2021 £000s	2020 £000s
In one year or less	20	20
Between one and two years	20	20
Between two and five years	10	30
	50	70

19 Funds

	Balance at 1 September 2020 £000s	Income £000s	Expenditure £000s	Gains, Losses and Transfers £000s	Balance at 31 August 2021 £000s
Restricted general funds					
General Annual Grant (GAG) excluding pension reserve	1,854	22,782	(21,744)	(831)	2,061
Post-opening grant	-	221	(221)	-	-
Ealing Fields High School rent costs funding	-	521	(521)	-	-
Ealing Fields High School temporary building hire funding	-	118	(102)	-	16
Teaching School grants	-	120	(120)	-	-
School Direct and training grants	-	35	(35)	-	-
Other DfE/ESFA grants	-	1,958	(1,958)	-	-
Local Authority special educational needs funding	-	1,041	(1,041)	-	-
Coronavirus exceptional support	-	461	(461)	-	-
Other income	-	599	(599)	-	-
Pension reserve	(6,052)	-	(888)	(749)	(7,689)
	(4,198)	27,856	(27,690)	(1,580)	(5,612)
Restricted fixed asset funds					
Assets transferred on conversion	4,562	-	(255)	-	4,307
DfE/ESFA capital grants	2,596	(360)	(418)	-	1,818
Local Authority capital grants	655	-	(52)	-	603
Other capital funding	96	500	(11)	-	585
Capital expenditure from GAG	871	-	(102)	979	1,748
Voluntary Funds sponsored capital expenditure	995	-	(44)	-	951
Asset donated by the Local Authority	18,320	-	(339)	-	17,981
Transfer from Ealing Fields High School Academy Trust	1,153	-	(52)	-	1,101
Assets donated by the Department for Education	-	20,320	-	-	20,320
	29,248	20,460	(1,273)	979	49,414
Other restricted funds					
Mozambique Partnership Fund	44	-	-	-	44
Twynford C of E High School School Fund	169	92	(47)	(56)	158
TCEHS Music Facilities Fund	34	-	-	(34)	-
TCEHS School Council Fund	3	-	-	-	3
TCEHS School Colours Fund	7	-	-	-	7
William Perkin C of E High School School Fund	63	20	-	(50)	33
WPCEHS School Uniform Fund	4	-	-	-	4
Ada Lovelace C of E High School School Fund	24	15	-	(33)	6
Ealing Fields High School School Fund	9	8	-	-	17
	357	135	(47)	(173)	272
Total restricted funds	25,407	48,451	(29,010)	(774)	44,074
Unrestricted funds					
General funds	381	87	(51)	-	417
WPCEHS Artificial Grass Pitch Major Repair Fund	100	-	-	25	125
Total unrestricted funds	481	87	(51)	25	542
Total funds	25,888	48,538	(29,061)	(749)	44,616

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

19 Funds (continued)

Funds for the prior year

	Balance at 1 September 2019 £000s	Income £000s	Expenditure £000s	Gains, Losses and Transfers £000s	Balance at 31 August 2020 £000s
Restricted general funds					
General Annual Grant (GAG) excluding pension reserve	865	20,623	(19,459)	(175)	1,854
Post-opening grant	-	426	(426)	-	-
Ealing Fields High School rent costs funding	-	575	(575)	-	-
Ealing Fields High School temporary building hire fundin	102	-	(102)	-	-
Teaching School grant	-	40	(40)	-	-
School Direct and training grants	-	53	(53)	-	-
Other DfE/ESFA grants	-	798	(798)	-	-
Local Authority special educational needs funding	-	893	(893)	-	-
Coronavirus exceptional support	-	8	(8)	-	-
Other income	-	787	(787)	-	-
Pension reserve	(5,617)	-	(572)	137	(6,052)
	(4,650)	24,203	(23,713)	(38)	(4,198)
Restricted fixed asset funds					
Assets transferred on conversion	4,816	-	(254)	-	4,562
DfE/ESFA capital grants	2,491	300	(195)	-	2,596
Local Authority capital grants	707	-	(52)	-	655
Other capital funding	99	7	(10)	-	96
Capital expenditure from GAG	789	-	(93)	175	871
Voluntary Funds sponsored capital expenditure	1,038	-	(43)	-	995
Asset donated by the Local Authority	18,659	-	(339)	-	18,320
Transfer from Ealing Fields High School Academy Trust	1,213	-	(60)	-	1,153
	29,812	307	(1,046)	175	29,248
Other restricted funds					
Mozambique Partnership Fund	48	-	(4)	-	44
Twyford C of E High School School Fund	105	107	(43)	-	169
TCEHS Music Facilities Fund	34	-	-	-	34
TCEHS School Council Fund	3	-	-	-	3
TCEHS School Colours Fund	-	7	-	-	7
William Perkin C of E High School School Fund	38	25	-	-	63
WPCEHS School Uniform Fund	-	13	(9)	-	4
Ada Lovelace C of E High School School Fund	2	22	-	-	24
Ealing Fields High School School Fund	4	5	-	-	9
	234	179	(56)	-	357
Total restricted funds	25,396	24,689	(24,815)	137	25,407
Unrestricted funds					
General funds	392	153	(139)	(25)	381
WPCEHS Artificial Grass Pitch Major Repair Fund	75	-	-	25	100
Total unrestricted funds	467	153	(139)	-	481
Total funds	25,863	24,842	(24,954)	137	25,888

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

Restricted General Funds:

The General Annual Grant Fund is income from the DfE/ESFA to be used for the normal running costs of the Academies Trust including education and support costs. Under the funding agreement with the Secretary of State, the Academies Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2021. Note 3 discloses whether the limit was exceeded. Post Opening Grant relates to DfE/ESFA funding for additional costs during the post opening period for Ealing Fields High School and Ada Lovelace C of E High School. Funding for Ealing Fields High School rent costs has been provided by the DfE/ESFA to meet those costs indefinitely. Teaching School and School Direct grants from the DfE/National College were given to fund the Ealing Teaching School Alliance and Teach West London, run by the Academies Trust. Other ESFA/DfE grants were given for specific purposes. Local Authorities funded additional support for students with special needs. Other income mainly related to amounts received for educational visits and activities to be used for that specific activity. The pension reserve relates to the Trust's share of the deficit on the Local Government Pension Scheme.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

19 Funds (continued)

Restricted Fixed Asset Funds:

This includes income from the DfE/ESFA for the purchase of capital works or equipment. £831,000 (2020 £175,000) was transferred from the GAG fund for capital works. £81,000 (2020 £49,000) related to devolved formula capital grant received from the ESFA.

Other Restricted Funds:

These comprise funds made up of voluntary donations mainly from parents of children at each school.

Unrestricted Funds:

This comprises income arising from hiring the premises to local groups and clubs.

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000s	2020 £000s
Twyford C of E High School	1,019	736
William Perkin C of E High School	1,082	1,294
Ada Lovelace C of E High School	224	341
Ealing Fields High School	526	283
Funds held at Trust level	40	38
Total before fixed assets and pension reserve	2,891	2,692
Restricted fixed asset fund	49,414	29,248
Pension reserve	(7,689)	(6,052)
Total	44,616	25,888

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other Costs (excluding depreciation) £000s	Total Expenditure (excluding depreciation) 2021 £000s	Total Expenditure (excluding depreciation) 2020 £000s
Twyford C of E High School	7,081	686	245	1,026	9,038	8,826
William Perkin C of E High School	6,473	450	228	957	8,108	7,975
Ada Lovelace C of E High School	2,200	325	66	478	3,069	1,235
Ealing Fields High School	3,033	336	105	1,089	4,563	3,696
Central services	665	1,091	94	338	2,188	1,604
Pension reserve	-	-	-	888	888	572
Academies Trust	19,452	2,888	738	4,776	27,854	23,908

20 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total Funds 2021 £000s	Total Funds 2020 £000s
Tangible fixed assets	-	-	48,745	48,745	27,952
Current assets	542	5,626	699	6,867	4,926
Current liabilities	-	(3,277)	-	(3,277)	(888)
Non-current liabilities	-	-	(30)	(30)	(50)
Pension scheme liability	-	(7,689)	-	(7,689)	(6,052)
Total net assets	542	(5,340)	49,414	44,616	25,888

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

Analysis of net assets between funds for the prior year

Fund balances at 31 August 2020 were represented by:

	Unrestricted Funds £000s	Restricted General and Other Funds £000s	Restricted Fixed Asset Funds £000s	Total Funds 2020 £000s	Total Funds 2019 £000s
Tangible fixed assets	-	-	27,952	27,952	28,494
Current assets	481	3,099	1,346	4,926	4,254
Current liabilities	-	(888)	-	(888)	(1,198)
Non-current liabilities	-	-	(50)	(50)	(70)
Pension scheme liability	-	(6,052)	-	(6,052)	(5,617)
Total net assets	481	(3,841)	29,248	25,888	25,863

21 Capital Commitments

	2021 £000s	2020 £000s
Contracted for but not provided in the financial statements	1,152	264

22 Commitments under operating leases

Operating leases

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

	2021 £000s	2020 £000s
Land and Buildings		
Amounts due within one year	404	404
Amounts due between one and five years	1,600	1,600
Amounts due after five years	255	655
	<u>2,259</u>	<u>2,659</u>
Plant and Machinery		
Amounts due within one year	134	160
Amounts due between one and five years	292	177
	<u>426</u>	<u>337</u>
Total	<u>2,685</u>	<u>2,996</u>

On 1 September 2017, when Ealing Fields High School transferred to the Twyford Trust, 25 year leases on the former Eversheds Sports Ground at Wyke Gardens and the former King Fahad Academy Site on Little Ealing Lane were transferred to the Trust with undertakings from the Education and Skills Funding Agency that funding would be provided to meet the rental costs. The lease on the Wyke Gardens site was assigned to another tenant on 10 September 2020. Twyford C of E High School uses the Twyford Avenue Sports Ground under licence. The annual charge is £75,000 and the licence can be broken in July of each year.

23 Reconciliation of net income to net cash flow from operating activities

	2021 £000s	2020 £000s
Net income for the reporting period (as per the Statement of Financial Activities)	19,477	(112)
Adjusted for:		
Depreciation (note 14)	1,207	1,046
Losses on disposals of fixed assets	66	-
Capital grants receivable from DfE and other capital income	(140)	(307)
Fixed asset donation	(20,320)	-
Interest receivable (note 7)	(1)	(5)
Defined benefit pension cost less contributions payable (note 29)	785	477
Defined benefit pension finance income (note 29)	103	95
Operating cash flows before working capital	<u>1,177</u>	<u>1,194</u>
Increase in debtors	(622)	(741)
Increase/(decrease) in creditors	2,389	(310)
Net cash flow from operating activities	<u>2,944</u>	<u>143</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

24 Cash flows from investing activities

	2021 £000s	2020 £000s
Interest received (note 7)	1	5
Purchase of tangible fixed assets (note 14)	(1,746)	(504)
Capital grants received from DfE/ESFA	798	1,215
Capital funding received from sponsors and others	-	7
Receipts from sale of tangible fixed assets	-	-
Cash transferred on school joining the academies trust	-	-
Net cash used in investing activities	(947)	723

25 Cash flows from financing activities

	2021 £000s	2020 £000s
Debt due beyond a year:		
Unsecured SALIX loan repayable by 2023 - repayments of borrowings.	(20)	(20)
Net cash used in financing activities	(20)	(20)

26 Analysis of changes in net debt

	Balance at 1 September 2020 £000s	Cash flows £000s	Acquisition/ disposal of subsidiaries £000s	New finance leases £000s	Other non- cash changes £000s	Balance at 31 August 2021 £000s
Cash	2,267	1,977	-	-	-	4,244
	<u>2,267</u>	<u>1,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,244</u>
Loans falling due within one year	(20)	-	-	-	-	(20)
Loans falling due after more than one year	(50)	20	-	-	-	(30)
Total	<u>2,197</u>	<u>1,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,194</u>

27 Contingent Liability

Following the tragic death of a William Perkin C of E High School pupil in 2017, due to a severe allergic reaction, a civil claim has been received and is in the hands of the Trust's insurers. At this stage it is not possible to quantify the value of the potential liability. Insurance will cover all costs and damages payments that may arise.

28 Members' Liability

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

29 Pension and similar obligations

The Academy Trust's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; the Local Government Pension Scheme (LGPS) for most non-teaching staff, which is managed by The London Pensions Fund Authority; and the Church of England Funded Pension Scheme (CEFPS) for chaplaincy staff. All are multi-employer defined-benefit schemes. Ealing Fields High School had accumulated a deficit of £180,000 on the LGPS and this balance was transferred into the deficit balance of the Academies Trust on 1st September 2017.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, of the LGPS 31 March 2019 and of the CEFPS 31 December 2018.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2020 Nil).

Teachers' Pension Scheme

Introduction

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

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

29 Pension and similar obligations (continued)

Teachers' Pension Scheme (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 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges are still pending. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £2,905,000 (2020 £2,544,000).

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £699,000 (2020 £523,000), of which employer's contributions totalled £485,000 (2020 £352,000) and employees' contributions totalled £213,000 (2020 £170,000). The agreed contribution rates for future years are 13% (2020 13%) for employers and 5.5 - 12.5 per cent for employees.

Trust directors decided to un-pool the Trust's scheme from that of the London Borough of Ealing in February 2014. Following the latest actuarial valuation, the Trust pays an annual contribution of £103,000 (2020 £92,000) in addition to normal funding levels to recover the deficit over a period of 17 years from 1 April 2017.

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

Principal actuarial assumptions

The following information is based on a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2021 by a qualified independent actuary.

	2021	2020
Rate of increase in salaries	4.05% *	3.55% *
Rate of increase for pensions in payment	2.90%	2.40%
Discount rate	1.70%	1.80%
Inflation (CPI)	2.80%	2.30%
Commutation of pensions lump sums	50.00%	50.00%

* An adjustment has been made for short term pay restraint in line with the latest actuarial valuation

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

	2021 Years	2020 Years
Retiring today		
Males	23.0	22.9
Females	25.1	25.0
Retiring in 20 years		
Males	24.7	24.5
Females	27.0	26.9

* End of period mortality uses a smoothing parameter of 7.5, no addition to initial improvements and "middle" tables for females.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

29 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Sensitivity analysis

	(-) increase/ (+) decrease in deficit 2021 £000s	(-) increase/ (+) decrease in deficit 2020 £000s
Discount rate +0.1%	359	275
Mortality assumption - 1 year increase	(486)	(337)
CPI rate +0.1%	(368)	(282)

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

	Fair value at 31 August 2021 £000s	Fair value at 31 August 2020 £000s
Equity instruments	4,729	3,299
Government bonds	1,915	1,481
Property	618	542
Cash	211	251
Other	344	256
Total Fair Value of assets	7,817	5,829

The actual return on scheme assets was £1,092,000 (2020 £44,000).

Amounts recognised in the statement of financial activities

	2021 £000s	2020 £000s
Current service cost (net of employee contributions)	1,355	905
Net interest cost	103	95
Administration expenses	25	18
Past service cost	-	166
Total operating charge	1,483	1,184

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

	2021 £000s	2020 £000s
At 1 September	11,881	10,279
Current service cost	1,355	905
Interest cost	216	183
Employee contributions	214	170
Actuarial loss/(gain) on liabilities	1,727	560
Benefits paid	113	(216)
At 31 August	15,506	11,881

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

	2021 £000s	2020 £000s
At 1 September	5,829	4,662
Interest on plan assets	113	88
Actuarial gain on assets	978	697
Employer contributions	595	446
Employee contributions	214	170
Benefits paid	113	(216)
Administration expenses	(25)	(18)
At 31 August	7,817	5,829

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

29 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Defined benefit pension scheme liability

	2021 £000s	2020 £000s
The fair value of the Trust's share of scheme assets	7,817	5,829
The present value of defined benefit obligations	(15,506)	(11,881)
Net liability	(7,689)	(6,052)

The Church of England Funded Pension Scheme

The Trust participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2021: £10,000, 2020: £10,000), less the figures highlighted in the table below as being recognised in the SoFA, giving a negative charge of £3,000 for 2021 (2020: negative charge of £3,000).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumption

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a "smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

	January 2021 to December 2022	January 2018 to December 2020
% of pensionable stipends		
Deficit repair contributions	7.1%	11.9%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over

	2021 £000s	2020 £000s
Balance sheet liability at 1 September	6	19
Deficit contribution paid	(3)	(3)
Remaining change to the balance sheet liability* (recognised in SoFA)	1	(10)
Balance sheet liability at 31 August	4	6

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% pa	1.1% pa	2.1% pa
Price inflation	3.1% pa	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, Twyford Church of England Academies Trust could become responsible for paying a share of that Responsible Body's pension liabilities.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021 (continued)

30 Related Party Transactions

Owing to the nature of the Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a director may have an interest. All transactions involving such organisations are conducted in accordance with the academy's financial regulations and normal procurement procedures.

Directors who are also staff receive salary payments from the Trust and directors who are parents have financial dealings with the Trust as other parents do. Directors with these interests do not take part in decisions which directly affect them or their children. A number of directors made personal donations amounting to £1,000 (2020 £1,000) to the Trust during the year.

Mr I Woolf is Chief Executive of the London Diocesan Board for Schools (LDBS) and a director of its subsidiary Grow Education Partners. Expenditure totalling £34,551 (2020 £23,930), relating to a subscription to an advice service, data protection services, training course fees and recruitment services took place in the year. Furthermore the freehold of the Twyford C of E High School site is owned by the LDBS (see note 14). No expenditure was outstanding at the end of the year (2020 £180). In addition Mr I Woolf is a Director of the London Diocesan Fund. £18,900 (2020 £18,900) was paid to the London Diocesan Fund during the year for renting a house for the Trust's chaplain. No expenditure was outstanding at the end of the year (2020 £Nil).

Dame Alice Hudson's daughter was employed by the Academies Trust as a teacher during the year. The recruitment and management arrangements followed the Trust's normal procedure except that Dame Alice played no part in the process. The teaching post is paid within the normal pay scale for the role and Dame Alice's daughter receives no special treatment as a result of her relationship to a director. Payments during the year were in the range £50,000 - 55,000 (2020 £40,000 - 45,000).

Key management personnel disclosure is included in note 11.

31 Agency Arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £52,000 (2020 £67,000) and disbursed £61,000 (2020 £66,000) from the fund. An amount of £2,000 (2020 £11,000) is included in other creditors relating to undistributed funds that is repayable to ESFA.

The Academy Trust administers the disbursement of School Direct Funding on behalf of the National College of Teaching and Leadership (part of the Department for Education). In the accounting period ending 31 August 2021 the Trust received £7,000 (2020 £34,000) and disbursed £Nil (2020: £53,000) from the fund. An amount £Nil (2020 £28,000) is included in other debtors relating to funding due from the National College of Teaching and an amount of £13,300 (2020 £Nil) is included in other creditors relating to undistributed funds that is repayable to the National College of Teaching and Leadership.

32 Teaching School Trading Account

	2021 Total	2020 Total
Income		
Direct income		
Other income (Teaching School, School Direct and Training grants and other income)	185	108
Total Income	185	108
Expenditure		
Direct costs		
Direct staff costs	130	82
Staff development	11	11
Total direct costs	141	93
Other costs		
Support staff costs	36	14
Other support costs	8	1
Total other costs	44	15
Total Expenditure	185	108
Surplus/(Deficit)from all sources	-	-
Teaching School balances at 1 September	-	-
Teaching School balances at 31 August	-	-

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TWYFORD CHURCH OF ENGLAND ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated June 2019 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by Twyford Church of England Academies Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trust. We are independent of Twyford Church of England Academies Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Twyford Church of England Academy Trust's accounting officer and directors (trustees)

The accounting officer is responsible, under the requirements of Twyford Church of England Academies Trust's funding agreement with the Secretary of State for Education dated 12 November 2012 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Twyford Church of England Academies Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2020 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TWYFORD
CHURCH OF ENGLAND ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Use of our report

This report is made solely to Twyford Church of England Academies Trust and the ESFA in accordance with the terms of our engagement letter dated June 2019. Our work has been undertaken so that we might state to the Twyford Church of England Academies Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Twyford Church of England Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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10/12/21