

Company registration number 07034121 (England and Wales)

**THE BISHOP OF WINCHESTER ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

THE BISHOP OF WINCHESTER ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 17
Governance statement	18 - 22
Statement on regularity, propriety and compliance	23
Statement of governors' responsibilities	24
Independent auditor's report on the accounts	25 - 28
Independent reporting accountant's report on regularity	29 - 30
Statement of financial activities including income and expenditure account	31 - 32
Balance sheet	33
Statement of cash flows	34
Notes to the accounts including accounting policies	35 - 54

THE BISHOP OF WINCHESTER ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Rt. Rev. D Sellin
Rev. M Powis
Mr D Eyre
Mr A Brien (Resigned 31 August 2022)
Rev. D Thompson

Governors

Rev D Thompson
Ms M Jacques (Chair of Governors from 20 September 2022)
Mr R Clapton
Ms J Appleton
Mr A Hogg (Chair of Governors up to 19 September 2022) (Resigned 31 October 2022)
Mr P McKeown (Accounting officer)
Ms M O'Sullivan
K Pendlebury
Dr K Dingley (Resigned 4 February 2022)

Senior management team

- Principal	P McKeown
- Vice Principal	A Hooper
- Deputy Vice Principal - Maths	F Kirby
- Deputy Vice Principal - English	S Lewendon
- Deputy Vice Principal - Head of Sixth Form	K Graham (Resigned 31 August 2022)
- Assistant Vice Principal - Progress Leader	K Maselino
- Finance Director	J Adams (Appointed 25 January 2022)

Company secretary

Mr P Woodroffe

Company registration number

07034121 (England and Wales)

Registered office

Mallard Road
Bournemouth
Dorset
BH8 9PW

Independent auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Bankers

Lloyds Bank Plc
PO Box 1000
Andover
BX1 1LT

THE BISHOP OF WINCHESTER ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Ellis Jones Solicitors
302 Charminster Road
Bournemouth
Dorset
BH8 9RU

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 2 February 2010 as amended 5 April 2011 are the primary governing documents of the Academy Trust.

The Governors act as the Trustees for the charitable activities of The Bishop of Winchester Academy Trust Limited and are also the Directors of the Academy Trust for the purposes of company law. The Academy Trust is known as the Bishop of Winchester Academy.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Principal Activity

The Academy Trust's principal activity is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad curriculum.

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. The Academy Trust has 5 members (2021: 5).

Governors' indemnities

The Academy Trust has purchased Governors' Liability insurance (£5,000,000) and Fidelity Guarantee cover (£2,500,000) from Zurich Insurance as part of a risk pooling scheme. Under this scheme the Academy is charged an amount per pupil. This scheme was set up by Zurich to offer insurance cover to schools which is competitive when compared with the Government Risk Pooling Arrangement (RPA).

Method of recruitment and appointment or election of governors

The Principal Sponsor (the Diocese of Winchester) appoints the Sponsor Governors and may appoint themselves as a Sponsor Governor. The Co-Sponsor (Bournemouth School for Girls) may appoint a Co-Sponsor Governor. The Bournemouth Local Authority may appoint a Governor. The Principal is treated for all purposes as being an ex officio Governor. The Parent Governor is elected by Parents/Carers of registered students at the Academy. A Parent Governor must be a Parent/Carer of a student at the Academy at the time when s/he is elected. Three co-opted Governors can and have been appointed according to particular skills, experience and competencies that they offer.

Policies and procedures adopted for the induction and training of governors

Governors undergo a comprehensive induction and mentoring process according to the appropriate adopted Protocol and Policy.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Organisational structure

The Bishop of Winchester Academy has a Governing Body, the composition of which is set out in the Academy's Articles of Association. The Academy has two main Governor Committees: Resources and Student Experience, to which Governors are appointed. These are supported by Governor-led Working Groups. The Academy also calls on members of the Governing Body to sit on a Staff Dismissals Committee and Staff Dismissals Appeal Committee on an ad hoc basis should either Committee be required. The Governing Body and its Committees have Terms of Reference which are reviewed annually and contain details of meeting dates, compositions, responsibilities, delegated authorities and matters reserved for the Governing Body itself.

The Academy Leadership Team comprises of those persons listed on page 1. Their roles and responsibilities are reviewed annually by the Governing Body as a part of the Academy Development Plan. This was last completed in September 2022. Financial and other authorities are confirmed annually by the Governing Body within the adopted Scheme of Delegation.

The Full Governing Body meets at least three times a year, the Resources Committee meets at least three times a year, and the Student Experience Committee meets at least three times a year. Following on from the global pandemic, the governing body meetings have been held in person, but also with the ability to join online during the last year.

Risk Management

The major risks, to which the Academy Trust is exposed, as identified by the Governors, the Academy Leadership Team and others, have been reviewed and systems or procedures have been established to manage those risks. Internal control systems and the exposure to risks are considered on a regular basis by the Governors and the Academy Leadership Team at their routine meetings.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body is responsible for setting the pay and remuneration of key management personnel following an annual performance review. Teachers on the leadership range have their salary set annually, taking into account the roles and responsibilities to which they are assigned. When setting their salaries, the Resources Committee takes into consideration the School Teachers' Pay and Conditions document issued annually. Support staff on the leadership team have their salary set in accordance with the pay scale set by the Academy Trust, which is updated annually by agreement of the Resources Committee.

The Principal's salary is set by the Governing Body of the Academy. The salaries of all other members of the Academy Leadership Team are set by the Principal following an annual performance review process.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
---	---

Related parties and other connected charities and organisations

The Academy Trust is not part of a wider network such as a soft federation, whereby the relationship involved would have an impact on the Academy's operational policies. The Academy has not established any relationships with related parties and any other charities/organisations with which it co-operates in the pursuit of charitable activities such that they have influence over operational policies other than with the Lead Sponsor.

Objectives and activities

Objects and aims

The Bishop of Winchester Academy Trust has been established to maintain, and to carry on or provide for the carrying on of, an independent school to be known as The Bishop of Winchester Academy and having such characteristics as are referred to below. The Secretary of State for Education has agreed to make payments to the Academy Trust in accordance with the conditions and requirements set out in the Academy's Funding Agreement. For the avoidance of doubt, any obligations imposed upon or powers given to the Academy by that Agreement are also imposed upon the Academy Trust.

The characteristics of the Academy are set down in section 482 (2) of the Education Act 1996, as substituted by the Education Act 2002 and 2011, are that the school: should have a broad curriculum with an emphasis on a particular subject area, or particular subject areas, specified in the Funding Agreement; and should provide education for Students of different abilities and who are wholly or mainly drawn from the area in which the school is situated.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, strategies and activities

The Objectives of The Bishop of Winchester Academy are: to have young people as the focus of all the Academy does; to be a learning community rooted in Christian values; to be a place where learning takes precedence over teaching; to have partnership and relationship as key priorities; to have its specialisms suffuse the life of the community; to have the Enterprise and Innovation Specialism as key to encouraging self-confident, flexible and entrepreneurial citizens aware of the needs of others; to have the Mathematics Specialism help to ensure high levels of numeracy across the community; to be focused on and listen to our community; to use its independence; and to have a philosophy of service.

The Bishop of Winchester Academy Governors expect that every young person leaving the Academy will be: an independent, successful and lifelong learner; a caring citizen, sensitive, aware and actively responsive to the needs of others; and, a young adult ready to make a full and lasting contribution to the world.

The Academy takes its responsibilities for safeguarding very seriously, and training is delivered to all staff annually on the Academy's Prevent duty, FGM and all areas of safeguarding.

Volunteers

The academy uses volunteers when available and appropriate. Volunteers would usually offer their services for a particular subject or project such as gaining experience in working with children/young adults in art or PE. The placements vary from 1-2 weeks full-time to 6-12 months for a few hours per week.

Volunteers would complete an application form, requiring 2 referees, which would be taken up. A Disclosure and Barring Service (DBS) check would be completed if the applicant does not have a current DBS and has subscribed to the Update Service. The volunteer would only be allowed a placement once formal identification and these checks have been satisfactorily completed.

The number of volunteers varies from year to year but on average the academy would anticipate between 2-4 volunteer placements per year.

Public benefit

The Governors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by The Bishop of Winchester Academy Trust is the maintenance and development of the high-quality education provided by the School to the young people of Bournemouth and the surrounding area.

Catchment and Admissions to Year 7 – For September 2021 the Governors agreed an admission number of **210**, which represents the maximum number of places that they can offer and this is the Academy's Published Admissions Number (PAN). Where the number of applications for admission is greater than the PAN, applications will be considered against the criteria set out in the Academy Admissions Policy which is available on the website. In addition, the Governing Body will admit children to the Complex Communication Difficulties Centre attached to the Academy to fill vacancies that arise, up to a maximum of 16 Students. Such Students will have an Education, Health and Care Plan (EHCP), formerly known as Statements of Special Educational Need, for complex communication difficulties that name this provision.

As laid out in the admissions policy the criteria for selection where the school is over-subscribed are, in brief:

- Looked After Children get first priority;
- Children of staff;
- A pupil who has a serious medical, physical or psychological condition which makes it essential that the pupil attends TBOWA
- Children who have siblings already at the Academy;
- Up to 40% of places where religious commitment can be demonstrated;
- Remaining places are based on the distance between the Academy and where the child lives.

The Academy Trust serves the area of Bournemouth in immediate proximity to the academy's geographic location. Students from areas such as Ensburry Park, Boscombe and Holdenhurst attend the academy.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

The achievements and performance of the Academy are published in the Department for Education's school and college performance tables. Due to the Covid-19 pandemic no formal examination were set and Teacher Assessed Grades (TAGs) and Centre Assessed Grades (CAGs) were implemented.

The Academy is an independent state-funded Church of England secondary school within the Diocese of Winchester. It opened in September 2010.

In March 2017 Ofsted carried out the first short inspection since the Academy was judged to be "good" in July 2013. The judgment was: This school continues to be good. The report described the Bishop of Winchester Academy as 'a school that changes lives'.

The following observations were made in the letter to the Principal following the Ofsted inspection:

- The leadership team has maintained the good quality of education in the school since the last inspection.
- The Academy's leadership is based on a very strong moral and ethical foundation that holds the Christian faith at its heart. Improving the life chances of all our pupils is at the very centre of our work. Our inclusive approach, which seeks to support all pupils, even those who find it difficult to remain within the behaviour boundaries set for them, is something of which the Academy's leadership and governors can be justly proud.
- The Academy benefits from a very strong governing body. They offer a wealth of experience and they know the school well. They receive good, clear reports from the leadership and they broaden their understanding by working with middle leaders directly. As a result, they are able to hold the school to account well.
- The Principal and his leadership team have rightly placed a great emphasis on ensuring that middle leaders are effective. The Principal has developed a culture which holds middle leaders to account well and ensures they are focused on the quality of pupils' experience in their classrooms. Middle leaders feel they benefit from the management structure, which they say supports them well in their role.
- The unit which the Academy hosts, which supports pupils with complex communication difficulties, is well run and meets the needs of the pupils it serves. Staff know their pupils very well and work hard to ensure they can be successful in the mainstream lessons they attend.
- The Principal and his senior colleagues have made it clear to their staff that they expect them to know their pupils well and to adapt their teaching to meet pupils' needs. The information provided to teachers about each pupil helps teachers to do this, and pupils are benefiting as a result.
- Safeguarding is very strong. The leadership team has ensured that all safeguarding arrangements are fit for purpose and records are detailed and of high quality. Systems for checking the suitability of staff are rigorous and robust. Staff are well trained and understand what to do should they have concerns about the safety of pupils. Pupils know how to keep themselves safe online and know who to talk to if they have a concern. Attendance is also monitored carefully and there are good systems in place to check on those who are absent.
- Vulnerable pupils are well cared for. The team that supports these pupils has a broad range of skills and experiences and they have the time allocated and the skillset to meet pupils' needs. There are good relationships with the local authority, which ensures a strong safety net is in place for pupils who need that level of care.
- Teaching in the sixth form is now good. Leaders have taken action to address those instances where previously it was not good enough. Consequently, students are now making good progress. Those students who are re-taking GCSE English and mathematics also do well. Student progress will be further strengthened when the precision of teachers' feedback seen in the main school is equally embedded in the sixth form.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Prior to the short Ofsted inspection in March 2017, the Academy's last full Ofsted Inspection was in July 2013. The overall judgment was Grade 2 - Good. The school was pleased to be judged as "good" following a S48 SIAMS Inspection in November 2019.

The July 2013 Ofsted report noted that students made at least good progress from starting points that were very low. The achievement of students had improved steadily in the first five years of the Academy. Attainment had risen sharply to be in line with the national average.

Ofsted Inspectors judged the governance of the Academy as "outstanding". They noted Governors were involved in all aspects of the life of the Academy. They had a detailed understanding of the quality of teaching, the performance management of Teachers and how this linked to Students' achievement. They provided the Principal and other senior leaders with a highly effective balance of support and challenge; they had the expertise and understanding to hold them to account well. They interrogated the Academy's data on the achievement of Students, knew how it compared with similar schools, and took a full part in subject and key stage reviews. The Governors took careful account of the views of Teachers and students in gathering information about the Academy's performance. They ensured the efficient management of financial and other resources, including the use of funding through the Covid Catch-up and Pupil Premium. The Governing Body fulfilled all of its statutory requirements including those relating to safeguarding and child protection.

The Academy was opened to serve and support students, young people of both genders in the 11-16 age range. Applicants are admitted without regard to aptitude or ability. The Academy prides itself that its ethos is based on the Christian Faith and its values are underpinned by the teachings of Jesus and the Gospels.

Historically, Church of England schools were set up to serve often impoverished neighbourhood children. The Academy seeks to uphold this core purpose so that its local young people, often living in difficult circumstances, can receive an education that will equip them with a set of values and skills for life. It also serves the Anglican faith community across Bournemouth and the Diocese of Winchester. It is notably an inclusive school as it takes and respects Students who practice many other world faiths or those who do not believe at all.

The Academy cares for its Students. They were born in God's image and Academy staff seek the face of Jesus in each and every one of them. When they let themselves down the Academy forgives them and encourages them to try again; harder. The Academy has invested in a strong "Student Support Team" to offer practical care, welfare/safeguarding and counselling services. The Academy's staff listen to students and there is active student democracy through their representative body "Student Voice".

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key performance indicators

GCSE EXAMINATION RESULTS AND ANALYSIS 2022

64.9% Grade 9 – 4 in both English and Mathematics

42.3% Grade 9 – 5 in both English and Mathematics

45.26 Attainment 8

GCSE Results

Name	Total Grades	9	9 - 8	9 - 7	9 - 6	9 - 5	9 - 4	9 - 7 %	9 - 5 %	9 - 4 %	9 - 1 %
[Lang] Arabic	3	1	1	1	1	3	3	33.3	100	100	100
[Lang] Japanese	1	0	1	1	1	1	1	100	100	100	100
[Lang] Polish	3	1	2	2	2	3	3	66.7	100	100	100
[Lang] Portuguese	4	1	2	3	3	4	4	75	100	100	100
[Lang] Russian	4	1	1	2	2	4	4	50	100	100	100
[Lang] Spanish	12	1	5	7	7	10	12	58.3	83.3	100	100
[Lang] Turkish	1	0	0	0	0	1	1	0	100	100	100
Art & Design	51	0	4	8	15	20	32	15.7	39.2	62.7	96.1
Biology	4	0	1	2	3	3	3	50	75	75	75
Chemistry	3	1	1	3	3	3	3	100	100	100	100
Computing	44	1	5	8	13	22	35	18.2	50	79.5	100
English Language	208	4	13	34	68	107	146	16.3	51.4	70.2	94.2
English Literature	201	3	17	38	68	109	138	18.9	54.2	68.7	95
Entry Level Mathematics	4	0	0	0	0	0	0	0	0	0	100

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Further Mathematics	8	2	4	5	8	8	8	62.5	100	100	100
Geography	104	3	6	13	26	43	58	12.5	41.3	55.8	93.3
History	100	3	8	23	39	58	73	23	58	73	98
Mathematics	206	6	10	26	49	101	145	12.6	49	70.4	96.6
Music	12	0	0	3	5	5	5	25	41.7	41.7	100
Physical Education	20	0	1	4	9	15	20	20	75	100	100
Physics	3	0	1	3	3	3	3	100	100	100	100
Psychology	21	2	6	6	11	15	19	28.6	71.4	90.5	100
Religious Studies	129	5	7	20	41	59	83	15.5	45.7	64.3	96.1
RS (Short)	55	0	0	0	1	2	8	0	3.6	14.5	67.3
Statistics	200	2	6	14	20	79	121	7	39.5	60.5	97

Name	Total Grades	9	9 - 8	9 - 7	9 - 6	9 - 5	9 - 4	9 - 7 %	9 - 5 %	9 - 4 %	9 - 1 %
Science Core	394	8	13	33	64	161	265	8.4	40.9	67.3	99

BTEC Results

Name	Total Grades	D*	D* - D	D* - M	D* - P	D* L1D	-D* %	D* - D %	D* - M %	D* - P %	D* - L1D %
Performing Arts	11	0	2	4	9	9	0	18.2	36.4	81.8	81.8
BTEC Art & Design	12	1	3	8	12		8.3	25	66.7	100	
Sport BTEC	27	2	4	12	23		7.4	14.8	44.4	85.2	

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Cambridge Nationals

Name	Total Grades	D*	D* - D	D* - M	D* - P	D* - L1D	D* %	D* - D %	D* - M %	D* - P %	D* - L1D %	D* - L1M %	D* - L1P %
Business Studies	58	0	8	34	49	53	0	13.8	58.6	84.5	91.4	96.6	100
Creative iMedia CamNat	24	0	0	1	5	13	0	0	4.2	20.8	54.2	58.3	66.7
Health & Social	11	0	3	9	10	11	0	27.3	81.8	90.9	100	100	100
Sport Science	45	0	9	27	37	43	0	20	60	82.2	95.6	100	100

NCFE VCert

Name	Total Grades	D*	D* - D	D* - M	D* - P	D* - L1D*	D* - L1D	D* %	D* - D %	D* - M %	D* - P %	D* - L1D* %
DT Food Technology	33	19	26	32	33	33	33	57.6	78.8	97	100	100
Health & Fitness	83	4	11	32	49	60	63	4.8	13.3	38.6	59	72.3
Music Technology	10	0	0	2	7	10	10	0	0	20	70	100
Performance Skills	8	2	3	7	8	8	8	25	37.5	87.5	100	100

Cache

Name	Total Grades	A*	A* - A	A* - B	A* %	A* - A %	A* - B %	A* - C %
Child Development CACHE	11	2	9	11	18.2	81.8	100	100

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

'A' Level and BTEC Results Statement 2022

Congratulations to students and staff at The Bishop of Winchester Academy for achieving an exceptional set of 'A' level and BTEC examination results. All students should be recognised for demonstrating determination and resilience in the face of extreme adversity during these unprecedented times. Students have lived out the school mantra of 'High Expectations and No Excuses.' Teachers have worked tirelessly to ensure that students had every opportunity to succeed and students have responded by delivering the Academy's best results to date.

Of particular note is the school has achieved it's first ever "Oxbridge" entries. One student to Oxford and one student to Cambridge. On top of this 21% of students gained a place at a Russell Group university.

Key Financial Performance Indicators (KPIs)

The Academy has operated within the terms and conditions set down within its Academy Funding Agreement to which the Secretary of State for Education is the other party. Compliance with the provisions of this agreement is independently assessed and reported upon by the Internal Auditor appointed by the Governing Body. The Internal Auditor's Reports are considered, in detail, by the Full Governing Body following scrutiny by the Resources Committee of the Governing Body.

Operational KPIs (that cover the range of education provision within the Academy) are agreed with the Committees of the Governing Body. These are embedded within the Academy Development Plan which is scrutinised by each Governing Body Committee and overseen by the Governing Body.

Staffing Costs as a % of Public/GAG Income

%	2021/22	2020/21
Teaching Staff	62.61	61.2
Supply & Educational Support Staff	11.61	11.8
Administrative & catering staff	5.67	6.0
Site Staff	2.92	3.0
Total	81.31	82.0

Staffing costs for 2021/22 are 80.38% of total income. This is broadly in line with the ESFA expectation that staff costs should not exceed 80% of total income.

Admissions for Year 7 Main School Entry

2022		2021	
Applications	Accepted	Applications	Accepted
691	211	669	213

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Going concern

At 31 August 2022 the Academy held general reserves of £1,728,807 (2021: £1,239,151). This fulfils the Governors stated policy to have sufficient reserves to cover one months' fixed costs. The Academy submitted a three-year forecast to the ESFA for the years ending 31 August 2023-5. A balanced operational budget was forecast.

The Governing Body is mindful of uncertainties in Government funding streams over the coming three years, and will make future plans in the light of those uncertainties. This is a situation that is common to all academy trusts. In compliance with the Academies Trust Handbook 2021 the academy has robust monthly management reporting in place, with variances to budget being analyzed in detail on a monthly basis. This enables the Governing Body to make financial decisions based on up to date financial information.

Therefore, the Governing Body has a reasonable expectation that the Academy 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.

Financial review

At 31 August 2022 the Academy had net current assets of £1,728,807 (2021: £1,239,151), and total assets less current liabilities of £18,040,797 (2021: £17,885,818). At the start of the year the Academy held GAG reserves of £924,960, unrestricted reserves of £306,950 and fixed asset reserves of £16,616,667. As in past years the Academy has kept costs to a minimum in order to fund planned capital expenditure and build the GAG reserve to its current level of £1,405,515, the unrestricted reserve to its current level of £316,051 and the fixed asset reserve to its current level of £16,311,990.

Governors have taken into account known increases in per pupil funding, as well as modelling of forecast costs in the budget planning process, and are satisfied that the Academy will be able to maintain its current level of reserves going forward, subject to the effects of the planned capital expenditure.

A review of the Academy Trust's exposure to financial risks including credit, cash flow and liquidity risks, has been undertaken, noting that the principal financial instruments that the Academy deals with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors. The Governors have therefore determined that, taking into account the budgetary decisions taken by Governors for 2022/23, the Academy's financial situation is robust and stable with no significant exposure to uncertain financial risks.

The Accounts show that the main incoming resources were from educational funding totaling £7,679,423 (2021: £7,083,486), including capital grant funding of £24,739 (2021: £23,587). The main expenditure was on staff salaries totaling £6,311,913 (2021: £6,085,393). Other significant expenditure was £324,007 (2021: £265,880) on premises costs, £125,951 (2021: £119,397) on examination fees and £210,322 (2021: £157,887) on ICT costs.

Operational income exceeded resources expended on the operational activities of the Academy by £489,656 (2021: £263,340). These measurements are derived from the SOFA figures as follows:

	Note	2021/22	2020/21
Net income /(expenditure) per SOFA		(260,021)	(492,325)
Deduct capital grant income	18	(24,739)	(23,587)
Add back amortisation of intangible fixed assets	12	3,272	4,374
Add back depreciation of tangible fixed assets	13	548,056	542,364
Transfers capital/revenue		(221,912)	(155,486)
Add back net cost of pension scheme	18	445,000	388,000
Net operational income/ (expenditure)		489,656	263,340

The principal sources of funding were from the Education and Skills Funding Agency and grant payments from the local authority and have supported the key objectives of the Academy Trust.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

The Academy does not plan to hold large reserves. It is intended that its grant funding should, in general terms, be expended each year to support the delivery of education provision to its Students. Governors aim to secure an outturn that will result in a surplus of around 5% of the grant awarded. This allows sensible future planning of resources as the Academy expands and allows it to cope with the lag in funding provision for increased Student numbers. Governors set budgets in order to achieve the stated aim, however challenges in staff recruitment have meant that over the past few years planned vacancies have not been filled, resulting in unplanned savings on staff costs. Governors and Academy leadership have reviewed this situation, and are using some of these savings to fund additional teaching spaces. There are plans for additional classroom space to be provided to ease the tight timetabling problems with some lessons having to take place in classrooms which are not ideal; eg a history lesson within a science lab. This will use a good proportion of the retained reserves. It is anticipated that this will be reflected in capital expenditure during the coming year.

The Reserves Policy states that the academy reserves should be sufficient to cover one month's fixed costs. As at 31 August 2022 the academy had generated a surplus of 6.2% (2021: 5.8%) of the grant awarded with the intention of funding expenditure on improving the Academy's ICT infrastructure, to enhance the education of children. Additional plans have now been made to increase the number of teaching spaces. Planned capital expenditure has resulted in a transfer from the GAG reserve to the fixed assets reserve of £221,912 (2021: £155,486).

At 31 August 2022 the Academy held unrestricted reserves of £316,051 (2021: £306,950), restricted Donations reserves of £7,241 (2021: £7,241) and restricted GAG reserves of £1,405,515 (2021: £924,960).

The reserves at 31 August 2022 include a fixed assets reserve of £16,311,990 (2021: £16,616,667) which represents grant funded fixed assets. During the year under review the Academy has generated sufficient reserves to fund in-year capital expenditure.

The reserves at 31 August 2022 include a pension reserve deficit of £1,167,000 (2021: £4,573,000). In order to manage the pension fund deficit, contributions are set every three years by the administering authority (Dorset County Council) as a result of the actuarial valuation of the Fund. The governors are confident that the cash flow implications of this can be managed. The existence of the pension scheme deficit does not mean an immediate liability crystallises and instead is addressed over a series of years through pension contributions.

The Reserves Policy states that the Academy reserves should be sufficient to cover one month's fixed costs. As at 31 August 2022 the Academy is in that position.

Investment policy

The Articles of Association list the powers that the Academy Trust has with regards to investments. The Resources Committee reviews this matter at its termly meetings to ensure that returns are maximised within prudent parameters and in accordance with the adopted Governors' Investment Policy.

At 31 August 2022 the net assets of the Academy include cash at bank and in hand of £2,138,205 (2021: £1,523,722). Included within this figure is £610,474 (2021: £610,053) held in a 32 day notice account and £300,450 (2021: £300,142) held in a 95 day notice account, also with the Academy's bankers.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

As reported within the Risk Management Statement earlier in this Report, the major risks to which the Academy Trust is exposed, as identified by the Governors, the Academy Leadership Team and others, have been reviewed, and systems or procedures have been established to manage those risks. Internal control systems and the exposure to risks are considered on a regular basis by the Governors and the Academy Leadership Team at their routine meetings. Principal risks and uncertainties identified as part of this process are:

- Risk: That an unsuitable staff member will be recruited who puts the children at risk. Mitigation: Robust recruitment process following safer recruitment guidelines, with enhanced DBS checks in place. Up to date single central register in place. Child protection training for all staff and governors twice a year.
- Risk: Reduction in funding due to lower student numbers or errors in reporting KS5 data. Mitigation: Focus on ensuring maximum pupils on roll at census date.
- Risk: ICT risk of loss of data or damage to systems arising from malicious software. Mitigation: Network security was increased as part of an ongoing ICT strategy. Anti-virus software is in place. The Academy has taken out Cyber Insurance.
- Risk: Ignorance of legislative requirements in place leading to damaging legal action against academy. Mitigation: Legal SLA in place with academy solicitors giving academy staff access to legal advice and guidance.
- Risk: Failure to comply with Health and Safety legislation results in someone being injured. Mitigation: Training undertaken by Facilities team. Health and Safety policy and statutory maintenance reviewed by Governing Body.
- Risk: Academy suffers a data breach with possible penalties / civil action under GDPR, or in some other way is non-compliant. Mitigation: an external company has been appointed as the Academy's Data Protection Officer, Academy leaders and governors have been trained on the requirements of GDPR, and the Academy is compliant with the GDPR regulations.
- Risk: Risk that staff vacancies in Finance will lead to issues in obtaining timely, accurate reports or issues with the financial control environment. Mitigation: External consultancy in place to support during interim.

Fundraising

The Academy seeks to raise funds from parents to contribute to Academy activities. The Academy's approach to fundraising is very discreet, and does not involve the use of commercial participators or professional fundraisers.

Some funds are also raised through ancillary activities such as school productions. Again these are minimal, and are all used to fund the educational activities of the Academy.

At various times during the year the Academy raises funds for other charities, for example on Red Nose Day, or mufi days, when the children donate to support a good cause. These funds are all paid out to the charities for which they were raised.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

Development of teaching and learning and raising of standards will be pursued in accordance with the targets set within the Academy Development Plan, produced by the Academy Leadership Team in consultation with Governing Body Committees and Working Group and that has been adopted by Governors.

Key objectives for 2022/23 outlined in the Academy Development Plan are:

- Objective 1 – Develop effective interventions to ensure that all students 'catch up' and 'keep up'- focusing on improving reading for all.
- Objective 2 – Robust systems target excellent attendance and punctuality of all students.
- Objective 3 – All curriculum developments support mastery and are fully aligned with the Quality of Education judgement .
- Objective 4 – Embed a leader – leader culture .
- Objective 5 – Feedback is frequent and incisive and students use this feedback effectively .

Within each objective area, the Academy Development Plan defines how these objectives will be met.

The Trustees' vision for the future of the Academy is that all students leave having made outstanding progress, and equipped with the appropriate skills for the further education and careers they move on to. We aim for all our young people to live out our mission statement 'Sapere Aude' – Have the Courage to be Wise. It is our mission to ensure that all young people do have the courage of their own well-founded convictions, to make wise decisions that will allow them to celebrate their talents, fulfil their God-given potential and live life to the full.

Applying past experience to our expectations for the future, as a Governing Body we are fully aware of the challenges that lie ahead, and the need for wise stewardship of resources. We aim to continue our existing practices of careful planning and oversight in order to ensure that the Academy achieves the best possible outcomes from the resources available, while continuing to encourage all pupils and staff to 'Know life in all its fullness' (John 10.10).

Budget planning is informed by the published increases in the LGPS pension contribution rate following the recent valuation – 22% as of 1st April 2022 and 23.6% from 1st April 2023.

Plans to acquire a block of either two or four modular classrooms is very much on the Academy's radar and it would like to be in a position to source these during the 2022/23 academic year.

Funds held as custodian trustee on behalf of others

The Academy does not hold assets in safe custody or act as custodian trustee for any other organisation.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

In so far as the governors are aware:

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

A resolution proposing that Moore (South) LLP be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 13 December 2022 and signed on its behalf by:



Ms M Jacques

Chair of Governors from 20 September 2022

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Bishop Of Winchester Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 10 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
Rev D Thompson	7	9
Ms M Jacques (Chair of Governors from 20 September 2022)	2	9
Mr R Clapton	6	9
Ms J Appleton	6	7
Mr A Hogg (Chair of Governors up to 19 September 2022) (Resigned 31 October 2022)	9	10
Mr P McKeown (Accounting officer)	8	9
Ms M O'Sullivan	8	10
K Pendlebury	4	9
Dr K Dingley (Resigned 4 February 2022)	2	5

After a number of resignations we have been successful in finding new governors, putting the Academy in a healthy position; although it is recognised that three to four additional governors would be ideal and following a re-review of governor skills, there will be a recruitment drive for people who can add value to the Academy. The composition of the Governing Body has been reviewed with the Sponsors to ensure that it remains fit for purpose.

The Governing Body delegates responsibility for functions set out in approved Terms of Reference to a number of Governing Body appointed Committees and Working Groups. The key ones are the Resources Committee and the Student Experience Committee. Formal reports are presented to the routine Governing Body meetings that take place towards the end of each term. Details of the business undertaken and attendance are contained within the related minutes.

Conflicts of interest

The Academy takes a "zero tolerance" on areas of potential conflicts of interest when it comes to related party transactions. All trustees and senior leadership are asked to complete a declaration form each year, declarations are made at every meeting as a matter of course, and any new suppliers are researched by the Director of Finance before being accepted; which includes, but is not limited to, a rigorous review of documents on companies House and other web searches.

Governance reviews

With some change in governor composition in the later part of the year, and the need to recruit more governors, the governors skills audit was deferred so that it could be used to inform the recruitment process. This is timetabled for January 2023.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Resources Committee (incorporating the Audit Committee and Finance Monitoring Group)

The finance and general purposes committee is a sub-committee of the main board of governors. Its purpose is to:

- Review and approve annual pay reviews;
- Function as the audit committee of the academy;
- Approve and monitor the annual budget;
- Approve returns for submission to the ESFA;
- Make recommendations to the Full Governing Body regarding larger spending decisions.

The Chair of the Resources Committee is a qualified accountant.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Rev D Thompson	3	4
Ms M Jacques (Chair of Governors from 20 September 2022)	2	4
Mr R Clapton	3	4
Mr A Hogg (Chair of Governors up to 19 September 2022) (Resigned 31 October 2022)	4	4
Mr P McKeown (Accounting officer)	4	4
Ms M O'Sullivan	4	4

Review of value for money

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

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

- Robust governance and oversight of Academy Trust finances – The Academy has benefitted from taking stock of its internal audit provision, and focusing on non-financial reviews. Additionally a new internal auditors has been sourced and a schedule of reviews across the 2022/23 academic year are in place. The Finance Monitoring Group receives and scrutinises the monthly budget monitoring reports and ensures compliance with the Academy Trust's policies.
- Rigorous budget reporting and control – Reports of actual spend against budget are sent to budget holders on a monthly basis, enabling budget holders to track their expenditure and keep control.
- Use of approved suppliers – An approved suppliers list has been compiled of suppliers offering the best value for money. However, the Academy is always looking at alternative suppliers to add to this list if they can provide better value for money. Before a supplier can be added to the list a form must be completed verifying that the supplier offers the best value for money in comparison with existing suppliers.
- Ensuring the operation of the Trust demonstrates good value for money and efficient and effective use of resources - Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts (3 to 5 years) remain competitive. Three quotes are required for purchases above £5,000 but below the tender limit of £40,000.

A system of robust performance management reviews has been operated during the year under review to ensure that staff only progress where their performance merits progression. Increments have not been automatically awarded to teaching staff. A review of support staff has also been undertaken to ensure the Academy is achieving good value for money in all areas of staffing. Staff who have left have not been automatically replaced, and a redistribution of responsibilities in the leadership of the Academy has meant that staff costs have been significantly reduced.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 The Bishop Of Winchester Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Governing Body reviews the key risks to which the Academy Trust is exposed, on a termly basis, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body with aspects of detailed scrutiny undertaken, on a termly basis, by the Resources Committee of the Governing Body and, on a monthly basis, by the Governors' Finance Monitoring Group.

The risk and control framework

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

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

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Internal audit

With the appointment of the new Director of Finance and significant changes in personnel within finance, coupled with the long-standing internal auditor resigning during the academic year, the Governors and the Academy decided to take stock of where it was and come up with a fresh approach to internal audit that more appropriately meets the needs of the academy and the risks highlighted on the risk register. This would mean that there was more benefit derived from the internal audit sessions, because of a more targeted approach.

Consequently, with a new finance team providing fresh insight to the systems and controls in place, the Governing Body looked to concentrate on non-financial areas whilst looking for the right internal auditor to appoint. In particular, the checks carried out in the current period included:

- review of cyber security within the Academy, which resulted in the following improvements made to ensure the Academy continues to provide a secure environment for its IT infrastructure and data held:
 - Adoption of multi factor authentication
 - Use of Conditional Access in Azure Active Directory to further secure access
 - Review and tightening of software patching process
 - Disabling the ability for specific user groups from accessing remote desktop functionality
 - Disabling print from remote desktop services pending final remediation of the 'prink nightmare' vulnerability
- review of data protection, resulting in appointment of internal DPO as well as external expert support
- testing and inspections of areas of the building and general facilities
- consideration of governance and succession planning to ensure the highest level of constructive challenge, and to ensure that the over reliance on key members of staff was reduced and a number of staff earlier in their careers identified to invest in with appropriate training (eg NPQH).

In terms of the future, the Academy has been fortunate to secure the services of an Internal Auditor who is highly experienced in the area of education finance, is a Chartered Accountant and has qualifications in areas of Law and Project Management. A plan is already in place to begin regular visits by the Internal Auditor with a schedule of areas to focus on, which is being dictated by the perceived risks of the Academy. The last year focusing on non-financial areas has provided real benefit and this will continue to ensure every area of the Academy benefits from the internal audit function.

Review of effectiveness

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

- the focused work noted above on the non-financial areas of the Academy;
- the work of the external auditor;
- the insight and change brought about by a fresh pair of eyes in the form of the new Director of Finance;
- the financial management and governance self-assessment process; and,
- the work of the Academy Leadership Team which has 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

THE BISHOP OF WINCHESTER ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 13 December 2022 and signed on its behalf by:



Ms M Jacques

Chair of Governors from 20 September 2022



Mr P McKeown

Accounting officer

THE BISHOP OF WINCHESTER ACADEMY TRUST

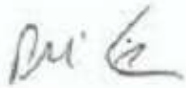
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of The Bishop of Winchester Academy Trust, I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust's board of governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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 governors and ESFA.



Mr P McKeown
Accounting Officer

13 December 2022

THE BISHOP OF WINCHESTER ACADEMY TRUST

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The governors (who act as trustees for The Bishop of Winchester Academy Trust and are also the directors of The Bishop of Winchester Academy Trust for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law, the governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the governors 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 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of governors on 13 December 2022 and signed on its behalf by:



Ms M Jacques
Chair of Governors from 20 September 2022

THE BISHOP OF WINCHESTER ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISHOP OF WINCHESTER ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of The Bishop of Winchester Academy Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the governors' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 there is a material misstatement in the accounts or material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE BISHOP OF WINCHESTER ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISHOP OF WINCHESTER ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report, included within the governors' report.

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

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

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Academy Trust.

THE BISHOP OF WINCHESTER ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISHOP OF WINCHESTER ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be Academies Accounts Direction, the Charity SORP, Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the Academy Trust complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the Academy Trust and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed support received through the Coronavirus support schemes, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- confirmed monthly management accounts were reviewed by the board;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work, to include comparison with prior periods;
- agreed a sample of documentation to confirm that relevant entries were reflected in the accounting records and allocated to the correct period; and
- reviewed minutes of governors meetings and confirmed income sources mentioned were included correctly within the accounts.

THE BISHOP OF WINCHESTER ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISHOP OF WINCHESTER ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust'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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Ann Mathias (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP**

22 December 2022

.....

**Chartered Accountants
Statutory Auditor**

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

THE BISHOP OF WINCHESTER ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BISHOP OF WINCHESTER ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 20 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Bishop of Winchester Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Bishop of Winchester Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Bishop of Winchester Academy Trust's funding agreement with the Secretary of State for Education dated 23 March 2010 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration of the Accounting Officer's statement of Regularity, Propriety and Compliance;
- Analytical procedure on the general activities of the Academy Trust;
- A review of Minutes of Committee and Board meetings, which may be relevant;
- Considerations of discussions with key personnel, including Governors;
- Substantive testing of individual transactions.

THE BISHOP OF WINCHESTER ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore (South) LLP

Reporting Accountant

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

22 December 2022

Dated:

THE BISHOP OF WINCHESTER ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	-	-	24,739	24,739	28,744
Charitable activities:						
- Funding for educational operations	4	23,878	7,719,312	-	7,743,190	7,117,512
Other trading activities	5	6,990	-	-	6,990	2,777
Investments	6	889	-	-	889	636
Total		<u>31,757</u>	<u>7,719,312</u>	<u>24,739</u>	<u>7,775,808</u>	<u>7,149,669</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	22,656	7,461,845	551,328	8,035,829	7,641,994
Total	7	<u>22,656</u>	<u>7,461,845</u>	<u>551,328</u>	<u>8,035,829</u>	<u>7,641,994</u>
Net income/(expenditure)		9,101	257,467	(526,589)	(260,021)	(492,325)
Transfers between funds	17	-	(221,912)	221,912	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	3,851,000	-	3,851,000	(148,000)
Net movement in funds		9,101	3,886,555	(304,677)	3,590,979	(640,325)
Reconciliation of funds						
Total funds brought forward		306,950	(3,640,799)	16,616,667	13,282,818	13,923,143
Total funds carried forward		<u>316,051</u>	<u>245,756</u>	<u>16,311,990</u>	<u>16,873,797</u>	<u>13,282,818</u>

THE BISHOP OF WINCHESTER ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2021
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	5,157	23,587	28,744
Charitable activities:					
- Funding for educational operations	4	22,778	7,094,734	-	7,117,512
Other trading activities	5	2,777	-	-	2,777
Investments	6	636	-	-	636
Total		26,191	7,099,891	23,587	7,149,669
Expenditure on:					
Charitable activities:					
- Educational operations	8	46,944	7,048,313	546,737	7,641,994
Total	7	46,944	7,048,313	546,737	7,641,994
Net income/(expenditure)		(20,753)	51,578	(523,150)	(492,325)
Transfers between funds	17	-	(155,486)	155,486	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(148,000)	-	(148,000)
Net movement in funds		(20,753)	(251,908)	(367,664)	(640,325)
Reconciliation of funds					
Total funds brought forward		327,702	(3,388,891)	16,984,332	13,923,143
Total funds carried forward		306,949	(3,640,799)	16,616,668	13,282,818

THE BISHOP OF WINCHESTER ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12		1,334		4,607
Tangible assets	13		16,310,656		16,612,060
			<u>16,311,990</u>		<u>16,616,667</u>
Current assets					
Debtors	14	176,788		219,187	
Cash at bank and in hand		2,138,205		1,523,722	
		<u>2,314,993</u>		<u>1,742,909</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(586,186)		(503,758)	
Net current assets			<u>1,728,807</u>		<u>1,239,151</u>
Net assets excluding pension liability			18,040,797		17,855,818
Defined benefit pension scheme liability	19	(1,167,000)		(4,573,000)	
Total net assets			<u>16,873,797</u>		<u>13,282,818</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			16,311,990		16,616,668
- Restricted income funds			1,412,756		932,201
- Pension reserve			(1,167,000)		(4,573,000)
Total restricted funds			<u>16,557,746</u>		<u>12,975,869</u>
Unrestricted income funds	17		316,051		306,949
Total funds			<u>16,873,797</u>		<u>13,282,818</u>

The accounts on pages 31 to 54 were approved by the governors and authorised for issue on 13 December 2022 and are signed on their behalf by:



Ms M Jacques
Chair of Governors from 20 September 2022

Company registration number 07034121

THE BISHOP OF WINCHESTER ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		835,506		279,260
Cash flows from investing activities					
Dividends, interest and rents from investments		889		636	
Capital grants from DfE Group		24,739		23,587	
Purchase of intangible fixed assets		-		(3,695)	
Purchase of tangible fixed assets		(246,651)		(175,377)	
Net cash used in investing activities			(221,023)		(154,849)
Net increase in cash and cash equivalents in the reporting period			614,483		124,411
Cash and cash equivalents at beginning of the year			1,523,722		1,399,311
Cash and cash equivalents at end of the year			2,138,205		1,523,722

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

The Bishop of Winchester Academy Trust is a charitable company limited by guarantee incorporated in England and Wales. The address of its principal place of business is given on page 1 and its nature of operations are set out in the Trustee's 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.

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Purchased computer software	33%
-----------------------------	-----

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

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

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold buildings	2% straight line basis
Leasehold improvements	15% reducing balance
Computer equipment	33.3% straight line basis
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	20% reducing balance

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

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

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

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

1.13 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 24.

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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

On conversion to an Academy Trust, the assets and liabilities of the Trust were measured at fair value. This includes any land and buildings. The valuation of the land and buildings involves a significant degree of estimation; refer to note 13 for further details of this estimation.

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2022 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 academy trust has exceeded these limits during the year ended 31 August 2022, see note 22 for further details.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	24,739	24,739	23,587
Other donations	-	-	-	5,157
	<hr/>	<hr/>	<hr/>	<hr/>
	-	24,739	24,739	28,744
	<hr/>	<hr/>	<hr/>	<hr/>

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	6,712,287	6,712,287	5,956,021
Other DfE/ESFA grants:				
- Pupil premium	-	289,844	289,844	252,120
- Teachers Pay Grant	-	9,746	9,746	79,009
- Teachers Pension Grant	-	27,540	27,540	223,260
- Others	-	85,357	85,357	13,332
	-	7,124,774	7,124,774	6,523,742
Other government grants				
Local authority grants	-	392,206	392,206	404,017
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	85,920
Other DfE/ESFA COVID-19 funding	-	91,151	91,151	-
Non-DfE/ESFA				
Other COVID-19 funding	-	46,553	46,553	46,220
	-	137,704	137,704	132,140
Other incoming resources	23,878	64,628	88,506	57,613
Total funding	23,878	7,719,312	7,743,190	7,117,512

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	5,925	-	5,925	2,740
Other income	1,065	-	1,065	37
	6,990	-	6,990	2,777

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	889	-	889	636

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	5,118,822	481,243	568,226	6,168,291	6,016,360
- Allocated support costs	1,193,091	394,092	280,355	1,867,538	1,625,634
	<u>6,311,913</u>	<u>875,335</u>	<u>848,581</u>	<u>8,035,829</u>	<u>7,641,994</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	14,885	11,065
- Other services	4,250	2,525
Operating lease rentals	17,377	19,580
Depreciation of tangible fixed assets	548,056	542,363
Amortisation of intangible fixed assets	3,272	4,374
Net interest on defined benefit pension liability	74,000	65,000
	<u>74,000</u>	<u>65,000</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	-	6,168,291	6,168,291	6,016,360
Support costs				
Educational operations	22,656	1,844,882	1,867,538	1,625,634
	<u>22,656</u>	<u>8,013,173</u>	<u>8,035,829</u>	<u>7,641,994</u>

	2022 £	2021 £
Analysis of support costs		
Support staff costs	1,193,091	956,407
Depreciation and amortisation	70,085	71,586
Premises costs	324,007	265,880
Legal costs	2,496	2,000
Other support costs	247,234	307,507
Governance costs	30,625	22,254
	<u>1,867,538</u>	<u>1,625,634</u>

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

Staff costs

Staff costs during the year were:

	2022	2021
	£	£
Wages and salaries	4,205,975	4,372,893
Social security costs	422,931	414,605
Pension costs	1,286,304	1,235,206
	<hr/>	<hr/>
Staff costs - employees	5,915,210	6,022,704
Agency staff costs	352,923	55,129
Staff restructuring costs	43,780	-
	<hr/>	<hr/>
Staff development and other staff costs	6,311,913	6,077,833
	54,211	38,301
	<hr/>	<hr/>
Total staff expenditure	6,366,124	6,116,134
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Severance payments	43,780	-
	<hr/> <hr/>	<hr/> <hr/>

Severance payments

The academy trust paid 1 severance payments in the year, disclosed in the following bands:

£25,001 - £50,000	1
-------------------	---

Staff numbers

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

	2022	2021
	Number	Number
Teachers	78	74
Administration and support	60	56
Management	5	5
	<hr/>	<hr/>
	143	135
	<hr/> <hr/>	<hr/> <hr/>

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	76	72
Administration and support	42	47
Management	5	5
	<u>123</u>	<u>124</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1
£150,001 - £160,000	1	1
	<u>4</u>	<u>4</u>

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £741,171 (2021: £728,521).

10 Governors' remuneration and expenses

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

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

P McKeown (principle and trustee)

Remuneration £155,000 - £160,000 (2021: £155,000 - £160,000)

Employers pension contributions £35,000 - £40,000 (2021: £35,000 - £40,000)

During the year, travel and subsistence payments totalling £Nil (2021: £Nil) were reimbursed or paid directly to Governors.

Other related party transactions involving the governors are set out within the related parties note.

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Governors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the total cost of insurance for the year ended 31 August 2022 was £504 (2021: £507). The cost of this insurance is included in the total insurance cost, and is an estimate as the Academy is now insured under a risk pooling scheme similar to the RPA, provided by Zurich Insurance. The premium for this insurance is calculated on a per pupil basis.

12 Intangible fixed assets

	Computer software £
Cost	
At 1 September 2021 and at 31 August 2022	79,883

Amortisation	
At 1 September 2021	75,277
Charge for year	3,272

At 31 August 2022	78,549

Carrying amount	
At 31 August 2022	1,334
	=====
At 31 August 2021	4,607
	=====

THE BISHOP OF WINCHESTER ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets	Cost	Leasehold buildings improvements		Leasehold improvements		Plant and machinery		Computer equipment		Fixtures, fittings & equipment		Motor vehicles		Total	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£
At 1 September 2021	18,505,879	753,598	126,932	875,920	264,667	23,550	20,550,546								
Additions	-	2,510	675	236,474	6,994	-	246,653								
At 31 August 2022	18,505,879	756,108	127,607	1,112,394	271,661	23,550	20,797,199								
Depreciation															
At 1 September 2021	2,474,346	460,458	84,407	705,922	192,333	21,020	3,938,486								
Charge for the year	358,118	41,681	10,684	117,643	19,425	506	548,057								
At 31 August 2022	2,832,464	502,139	95,091	823,565	211,758	21,526	4,486,543								
Net book value															
At 31 August 2022	15,673,415	253,969	32,516	288,829	59,903	2,024	16,310,656								
At 31 August 2021	16,031,533	293,140	42,525	169,998	72,334	2,530	16,612,060								

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets

(Continued)

A valuation of the buildings was undertaken on 19 December 2014 on a Depreciated Replacement Cost (DRC) basis by Bournemouth Borough Council. This was adopted by the Trustees in the accounts for the year ended 31 August 2014, on the basis of capacity available at each year end. The value of the buildings for depreciation purposes was identified as £17,500,000, excluding land of £600,000. The property is owned by Bournemouth Borough Council and leased to the Academy on a 125 year lease at a peppercorn rent.

14 Debtors

	2022	2021
	£	£
Trade debtors	4,168	(128)
VAT recoverable	62,139	38,612
Other debtors	811	7,601
Prepayments and accrued income	109,670	173,102
	<u>176,788</u>	<u>219,187</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	275,225	221,709
Other taxation and social security	109,199	101,951
EFA creditors	4,935	-
Other creditors	115,783	116,127
Accruals and deferred income	81,044	63,971
	<u>586,186</u>	<u>503,758</u>

16 Deferred income

	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	19,805	31,072
	<u>19,805</u>	<u>31,072</u>
Deferred income at 1 September 2021	31,072	37,836
Released from previous years	(31,072)	(37,836)
Resources deferred in the year	19,805	31,072
Deferred income at 31 August 2022	<u>19,805</u>	<u>31,072</u>

Deferred income relates to trip income received in advance and the deferral of the ESFA rates grant.

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	924,960	6,712,287	(6,009,820)	(221,912)	1,405,515
Pupil premium	-	289,844	(289,844)	-	-
Other DfE/ESFA COVID-19 funding	-	91,151	(91,151)	-	-
Other Coronavirus funding	-	46,553	(46,553)	-	-
Other DfE/ESFA grants	-	122,643	(122,643)	-	-
Other government grants	-	392,206	(392,206)	-	-
Other restricted funds	7,241	64,628	(64,628)	-	7,241
Pension reserve	(4,573,000)	-	(445,000)	3,851,000	(1,167,000)
	<u>(3,640,799)</u>	<u>7,719,312</u>	<u>(7,461,845)</u>	<u>3,629,088</u>	<u>245,756</u>
Restricted fixed asset funds					
DfE group capital grants	16,616,667	24,739	(551,328)	221,912	16,311,990
	<u>16,616,667</u>	<u>24,739</u>	<u>(551,328)</u>	<u>221,912</u>	<u>16,311,990</u>
Total restricted funds	<u>12,975,868</u>	<u>7,744,051</u>	<u>(8,013,173)</u>	<u>3,851,000</u>	<u>16,557,746</u>
Unrestricted funds					
General funds	306,950	31,757	(22,656)	-	316,051
	<u>306,950</u>	<u>31,757</u>	<u>(22,656)</u>	<u>-</u>	<u>316,051</u>
Total funds	<u>13,282,818</u>	<u>7,775,808</u>	<u>(8,035,829)</u>	<u>3,851,000</u>	<u>16,873,797</u>

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

The general annual grant can be used for the furtherance of the Academy's educational activities.

The fixed asset funds have been used to buy capital assets in the Academy.

Unrestricted general funds may be used at the governors' discretion for the purposes of the Academy.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG it could carry forward at 31 August 2022. Note 2 disclosed whether the limit was exceeded.

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	642,876	5,956,021	(5,518,451)	(155,486)	924,960
Pupil premium	-	252,120	(252,120)	-	-
Catch-up premium	-	85,920	(85,920)	-	-
Other Coronavirus funding	-	46,220	(46,220)	-	-
Other DfE/ESFA grants	-	315,601	(315,601)	-	-
Other government grants	-	404,017	(404,017)	-	-
Other restricted funds	5,233	39,992	(37,984)	-	7,241
Pension reserve	(4,037,000)	-	(388,000)	(148,000)	(4,573,000)
	<u>(3,388,891)</u>	<u>7,099,891</u>	<u>(7,048,313)</u>	<u>(303,486)</u>	<u>(3,640,799)</u>
Restricted fixed asset funds					
DfE group capital grants	16,984,332	23,587	(546,737)	155,486	16,616,668
	<u>16,984,332</u>	<u>23,587</u>	<u>(546,737)</u>	<u>155,486</u>	<u>16,616,668</u>
Total restricted funds	<u>13,595,441</u>	<u>7,123,478</u>	<u>(7,595,050)</u>	<u>(148,000)</u>	<u>12,975,869</u>
Unrestricted funds					
General funds	327,702	26,191	(46,944)	-	306,949
	<u>327,702</u>	<u>26,191</u>	<u>(46,944)</u>	<u>-</u>	<u>306,949</u>
Total funds	<u>13,923,143</u>	<u>7,149,669</u>	<u>(7,641,994)</u>	<u>(148,000)</u>	<u>13,282,818</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Intangible fixed assets	-	-	1,334	1,334
Tangible fixed assets	-	-	16,310,656	16,310,656
Current assets	316,050	1,998,943	-	2,314,993
Current liabilities	1	(586,187)	-	(586,186)
Pension scheme liability	-	(1,167,000)	-	(1,167,000)
Total net assets	<u>316,051</u>	<u>245,756</u>	<u>16,311,990</u>	<u>16,873,797</u>

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Intangible fixed assets	-	-	4,607	4,607
Tangible fixed assets	-	-	16,612,060	16,612,060
Current assets	306,950	1,435,958	-	1,742,908
Current liabilities	-	(503,757)	-	(503,757)
Pension scheme liability	-	(4,573,000)	-	(4,573,000)
Total net assets	306,950	(3,640,799)	16,616,667	13,282,818

19 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £85,281 were payable to the schemes at 31 August 2022 (2021: £103,744) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £725,456 (2021: £714,396).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20 - 22% for employers and 5.5 - 12.5% for employees.

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

Total contributions made	2022	2021
	£	£
Employer's contributions	189,000	199,000
Employees' contributions	51,000	56,000
	<hr/>	<hr/>
Total contributions	240,000	255,000
	<hr/> <hr/>	<hr/> <hr/>

Principal actuarial assumptions	2022	2021
	%	%
Rate of increase in salaries	3.95	3.9
Rate of increase for pensions in payment/inflation	2.95	2.9
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.95	2.9
	<hr/> <hr/>	<hr/> <hr/>

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	22.1	23.1
- Females	24.2	24.6
Retiring in 20 years		
- Males	23.4	24.4
- Females	25.6	26.1

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

	2022 £	2021 £
Discount rate + 0.1%	-101,000	-181,000
Discount rate - 0.1%	104,000	185,000
Mortality assumption + 1 year	143,000	335,000
Mortality assumption - 1 year	-138,000	-321,000

The academy trust's share of the assets in the scheme

	2022 Fair value £	2021 Fair value £
Equities	1,826,000	1,849,000
Other bonds	156,000	187,000
Diversified Growth Fund	226,000	224,000
Liability Driven Investment	370,000	398,000
Property	350,000	504,000
Other assets	458,000	213,000
Total market value of assets	3,386,000	3,375,000

The actual return on scheme assets was £(143,000) (2021: £574,000).

Amount recognised in the statement of financial activities

	2022 £	2021 £
Current service cost	371,000	323,000
Interest income	(57,000)	(41,000)
Interest cost	131,000	106,000
Benefit changes, curtailments and settlements gains or losses	(2,000)	(2,000)
Administration expenses	2,000	2,000
Total operating charge	445,000	388,000

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19	Pension and similar obligations		(Continued)
	Changes in the present value of defined benefit obligations		2022
			£
	At 1 September 2021		7,948,000
	Current service cost		560,000
	Interest cost		131,000
	Employee contributions		51,000
	Actuarial (gain)/loss		(4,053,000)
	Benefits paid		(84,000)
			<hr/>
	At 31 August 2022		4,553,000
			<hr/> <hr/>
	Changes in the fair value of the academy trust's share of scheme assets		2022
			£
	At 1 September 2021		3,375,000
	Interest income		57,000
	Actuarial loss/(gain)		(200,000)
	Employer contributions		189,000
	Employee contributions		51,000
	Benefits paid		(84,000)
	Effect of non-routine settlements and administration expenses		(2,000)
			<hr/>
	At 31 August 2022		3,386,000
			<hr/> <hr/>
20	Reconciliation of net expenditure to net cash flow from operating activities		
		2022	2021
		£	£
	Net expenditure for the reporting period (as per the statement of financial activities)	(260,021)	(492,325)
	Adjusted for:		
	Capital grants from DfE and other capital income	(24,739)	(23,587)
	Investment income receivable	6 (889)	(636)
	Defined benefit pension costs less contributions payable	19 371,000	323,000
	Defined benefit pension scheme finance cost	19 74,000	65,000
	Depreciation of tangible fixed assets	548,056	542,363
	Amortisation of intangible fixed assets	12 3,272	4,374
	Decrease in stocks	-	12,742
	Decrease in debtors	42,399	79,159
	Increase/(decrease) in creditors	82,428	(230,830)
		<hr/>	<hr/>
	Net cash provided by operating activities	835,506	279,260
		<hr/> <hr/>	<hr/> <hr/>

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	1,523,722	614,483	2,138,205

22 Contingent liabilities

During the period of the Academy Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds or the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. Upon termination of the Academy Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to: (a) the value at the time of the Academy's site and premises and other assets held for the purpose of the Academy; and, (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

As referred to in note 2 calculations on the GAG carried forward shows that the required limits exceed the 12% of GAG calculation by £572,782. Due to Covid the Trust has been unable to undertake capital spend as necessary and will be looking to use these funds in the future.

23 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	19,658	20,058
Amounts due in two and five years	53,701	31,441
	<u>73,359</u>	<u>51,499</u>

24 Related party transactions

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

There were no other related party transactions in the period other than certain trustees' remuneration and expenses already disclosed in note 10.

THE BISHOP OF WINCHESTER ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

25 Members' liability

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

26 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the Trust received £8,046 (2021: £12,069), and disbursed £7,418 (2021: £24,441) from the fund, which includes 5% administration costs. An amount of £4,782 (2021: £4,154) is included in sundry creditors relating to undistributed funds carried forward.