



WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members The Corporation of Luminare Education Group (Sponsor) - (formerly Leeds City College)
C Booth OBE
H Phillips
Bethany Levick (appointed 1 April 2021)

Directors H Philips, Chair
C Booth OBE
L Devenny¹
Cllr C Gruen
E Hiorns (resigned 31 July 2021)
P Morrissey (resigned 11 October 2021)
M Parkes
K A Pearlman-Shaw
D Strachan¹
A Whitaker
C Williams¹
A McMaster (appointed 4 February 2021)

¹ Audit and finance committee

Company registered number 07958615

Company name White Rose Academies Trust

Registered office College House
Park Lane
Leeds
LS3 1AA

Principal operating office Bedford Field
Woodhouse Cliff
Leeds
LS6 2LG

Accounting officer A Whitaker

WHITE ROSE ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

**Senior management
team**

Chief Executive Officer, A Whitaker (accounting officer)
Chief Financial Officer, S Jolley
Executive Principal, C Wilcocks
Principal - Leeds East Academy, S Carrie
Principal - Leeds City Academy, R Chattoe
Principal - Leeds West Academy, D Whielden
Principal - Alder Tree Primary Academy, K Rhodes

Independent auditors

BHP LLP
Chartered Accountants
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Bankers

Lloyds Bank plc
Leeds City Centre Branch
PO Box 1000
Leeds
BX1 1LT

Solicitors

Rollits LLP
Wilberforce Court
High Street
Hull
HU1 1YJ

Irwin Mitchell
2 Wellington Place
Leeds
LS1 4BZ

Internal Auditor

Moorlands Learning Trust
Cowpasture Road
Ilkley
West Yorkshire
LS29 8TR

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Directors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Directors' report and a trustees' report under company law.

White Rose Academies Trust was incorporated on 21 February 2012 and took control of Leeds City Academy, formerly City of Leeds School, a Local Authority maintained school, on 1 August 2014 at conversion to Academy status. On the 1 September 2014 Leeds West Academy and Leeds East Academy joined the Trust, transferring from E-ACT, a sponsor for a national chain of academies. On 1 December 2020 Alder Tree Primary Academy (formerly known as Mill Field Primary Academy) joined the Trust.

The academy trust operates three secondary academies for pupils aged 11 to 19 serving the Bramley, Seacroft and Woodhouse areas of Leeds and one primary academy for pupils aged 3 to 11 serving the Potternewton area of Leeds. The combined pupil capacity of the academies during the year was 3,450. At the school census in October 2020, the three academies that were in the trust had a total roll of 3,089. When Alder Tree Primary Academy joined the trust on 1 December 2020, there were 319 pupils on roll.

Structure, governance and management

● ***Constitution***

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Directors of White Rose Academies Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as White Rose Academies Trust.

Details of the Directors who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

● ***Members' liability***

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

● ***Directors' indemnities***

The academy trust has purchased cover to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. This is provided under the DfE's Risk Protection Arrangement.

Structure, governance and management (continued)

● ***Method of recruitment and appointment or election of Directors***

Directors are appointed to the board of the White Rose Academies Trust in accordance with the Memorandum and Articles of Association.

- Up to 10 directors, 7 of which to be appointed by the sponsor and the remainder to be appointed by the members.
- Chief Executive Officer (if any).
- Up to 3 Co-opted Directors appointed by the Directors.
- 2 Parent Directors unless there are Local Governing Bodies or Accountability Boards which include at least two Parent Members.

Co-opted directors are persons appointed to be a director by being co-opted by directors who have not themselves been so appointed. The directors may not co-opt an employee of the company as a co-opted director if thereby the number of directors who are employees of the academy trust would exceed one third of the total number of directors including the Chief Executive Officer.

Parent directors and parent members of the local bodies shall be elected or appointed, in accordance with the terms of reference determined by the directors from time to time, by parents of registered pupils at one or more of the academies. A parent director must be a parent of a pupil at one of the academies at the time when they are elected and appointed. The directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the parent directors or parent members of the local Bodies, including any question of whether a person is a parent of a registered student at one of the academies. Any election of the parent directors or parent members of the local bodies which is contested shall be held by secret ballot.

● ***Policies and procedures adopted for the induction and training of Directors***

White Rose Academies Trust provides each new director with an induction pack and has an annual training programme to provide continuing development of the board members. The academy trust subscribes to the National Governors Association, which exists to provide support and training for school and academy leaders.

WHITE ROSE ACADEMIES TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

● **Organisational structure**

The academy trust has defined the responsibilities of each person involved in the administration of the academies operations to avoid the duplication or omission of functions and to provide a framework of accountability for directors and staff. The reporting structure is illustrated below:

The Trust Board

The Trust Board has overall responsibility for the administration of the trust's operations. The main responsibilities of the Trust Board are prescribed in the Funding Agreement between the Trust and the Education and Skills Funding Agency (ESFA) and in the trust's scheme of governance.

The main responsibilities of the Trust Board include:

- ensuring that grant from the ESFA is used only for the purposes intended
- approval of the annual budget
- the regular monitoring of management accounts
- appointment of the Accounting Officer
- appointment of the Chief Financial Officer
- appointment of the Principals
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the ESFA guidance issued to academies; and
- maintaining effective oversight of financial procedures and controls

The Local Accountability Boards

A Local Accountability Board has been established for each academy in the Trust with the Chair of each Local Accountability Board being a Director on the Trust Board. The Local Accountability Boards Terms of Reference are:

- to monitor delivery of the core education vision;
- to monitor the admissions process;
- to set annual Academy performance targets;
- to assist in the recruitment of staff other than the Principal and Senior Post Holders;
- to agree and propose a draft budget for approval by the Trust Board;
- to implement and monitor policies with regard to staffing matters including performance management; and
- to oversee arrangements for director involvement in the Academy Development Plan and Academy Self Evaluations

The Accounting Officer (Chief Executive Officer)

Within the framework of the Trust's Scheme of Delegation as approved by the Trust Board, the Accounting Officer has personal responsibility for:

- the propriety and regularity of the public finances for which they are answerable;
- the keeping of proper accounts;
- prudent and economical administration;
- the avoidance of waste and extravagance;
- ensuring value for money; and
- the efficient use of all resources in their charge

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

Much of the day to day financial responsibility has been delegated to the Chief Financial Officer (CFO) but the Accounting Officer still retains responsibility for:

- approving new staff appointments within the authorised establishment, except for any Senior Post Holders which the Trust Board have determined should be approved by them;
- authorising contracts between £50,000 and £100,000 in conjunction with the CFO;
- signing cheques in conjunction with other authorised signatories; and
- authorising electronic payments in conjunction with other authorised personnel

The Accounting Officer must advise the Board in writing, whether at any time, in their opinion, any action or policy under consideration by the Local Accountability Board is incompatible with the terms of the Academy's Funding Agreement or the Academies Financial Handbook.

The Chief Financial Officer

The Chief Financial Officer works in close collaboration with the Accounting Officer through whom they are responsible to the board.

The main responsibilities of the Chief Financial Officer are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the Trust's financial position at a strategic and operational level within the framework for financial control determined by the Trust Board;
- the maintenance of effective systems of internal control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust;
- the preparation of monthly management accounts;
- ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance; and
- additional roles, some of which are not directly finance related, as outlined in the Chief Financial Officer job description.

All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources, and for conformity with the requirements of the Trust's financial procedures.

● ***Arrangements for setting pay and remuneration of key management personnel***

The pay and remuneration of the senior management team was approved by the board with reference to headteacher pay ranges in the DfE's guidance on the school teachers pay and conditions document and market rates in the sector.

WHITE ROSE ACADEMIES TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

● **Trade union facility time**

Relevant union officials

| | |
|---|----------|
| Number of employees who were relevant union officials during the year | 7 |
| Full-time equivalent employee number | 7 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|---------------------------|----------------------------|
| 0% | 7 |
| 1%-50% | - |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time **£000**

| | |
|---|---------------|
| Total cost of facility time | - |
| Total pay bill | 20,281 |
| Percentage of 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 Corporation of Luminate Education Group, who are a member, is also the sponsor of White Rose Academies Trust. A number of Luminate Education Group governors and employees are directors of the academy trust. During the year Luminate Education Group provided a range of services including ITSS services on a not for profit basis. The value of these services was £831k (2020 - £789k) and are detailed in note 31.

The role of the sponsor is to provide a governance framework to ensure the appropriate and effective operation of the trust. The sponsor contributes by providing oversight in governance issues and challenge to the trust executive.

Structure, governance and management (continued)

● ***Engagement with employees (including disabled persons)***

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

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

Each academy in the Trust has engaged with pupils and their parents on an active basis throughout the year. During the the COVID-19 pandemic the academies and the Trust have undertaken significant engagement with pupils and parents to ensure that they were kept up to date with the position in the respective academies..

The Trust engages with suppliers in a number of ways including procurement processes and key supplier review meetings. The trust continues to develop its relationships with key supply chain partners to ensure quality and value for money are secured.

The Trust has a large number of stakeholders that it engages with from the city of Leeds and the wider area. The Trust continues to develop its relationship with with key stakeholders such as the DfE, ESFA and Leeds City Council through regular meetings and networks. The Trust has also developed relationships with a range of educational and charitable organisations have have similar aims in order to work together to address areas of need.

Objectives and activities

● ***Objects and aims***

The principal object set out in our Articles of Association is:

- To advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them or 16 to 19 academies offering a curriculum appropriate to the needs of its students or schools specially organised to make special educational provision for pupils with Special Educational Needs.

In accordance with the Articles of Association, the academy trust has adopted "Governance Arrangements and a Scheme of Delegation". The Trust has adopted policies for its operations including, amongst other things, the basis for admitting students to the White Rose Academies Trust, and that the curriculum should comply with the substance of the national curriculum.

The main aims of the White Rose Academies Trust are summarised below;

- To provide outstanding education, principally in the city of Leeds and surrounding areas, for pupils of different abilities between the ages of 4 and 19 with an emphasis on particular specialisms;
- To ensure that every child enjoys the same safe, secure environment and high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all pupils;
- To improve the effectiveness of White Rose Academies Trust by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain links with industry and commerce and the international community;
- To conduct the White Rose Academies Trust business in accordance with the highest standards of integrity, probity and openness; and
- To provide facilities for recreational and other leisure time occupation for the community at large, in the interests of social welfare and with the interest of improving the life of the said community.

● ***Objectives, strategies and activities***

The White Rose Academies Trust's vision is to be an exceptional and responsive academy group providing life changing education, skills and experiences for individuals in our academies and in their communities.

Our objective is to prepare our learners for the next stage of their education or to move into the world of work so that they are successful in their chosen destination and realise their full potential.

The academies in the trust use a number of initiatives to prepare students to be positive members of the community and for the world of work. These include citizenship theme days, immersion curriculum experience weeks, the enhancement and enrichment programme and step up days.

Objectives and activities (continued)

● **Public benefit**

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Strategic report

Achievements and performance

● **Key performance indicators**

The Board considers that the following are key performance indicators for the Trust:

- Pupil numbers (leading directly to the Education and Skills Funding Agency (ESFA) funding level);
- General financial stability;
- Staff costs as a percentage of total costs;
- Ofsted inspection outcomes;
- Student attendance;
- Academic outcomes for students;
- Students' positive and sustained destinations, post-16.

Building on the success of the previous years the following key achievements were made in 2020/21:

High quality leadership and management

- A revised leadership structure that will ensure growth is sustainable has been further embedded.
- The role of Executive Principal brings together strategic leadership and oversight of all four academies, the central School Improvement Team and any new academies into a single leadership structure.
- Stability in Principal positions has been secured. The Acting Principal at Leeds West Academy has now been appointed permanently to this position.
- Established a leadership forum to provide oversight in relation to the Trust risks, mitigations and actions associated with the Covid-19 pandemic.
- Strategic leadership of the operational aspects of the Trust is now secured through the appointment of a Trust Business Director.
- The Trust established a strategy and framework for effectively supporting all Academies and other service areas through the Covid-19 pandemic, which is ongoing.
- Migration to a new Management Information System was completed in September 2021. The new cloud-based system provides architecture designed specifically for Multi Academy trusts to enable more effective use of data to drive and monitor academy performance.

Timely and skilful support for academies

- Deployment of expertise from within the Trust School Improvement team and from all academies as required, are ongoing and leading to measurable improvement in targeted areas.
- A process of Peer Review has been established to drive quality and collaboration across the Trust. An augmented central school improvement team has been fully deployed to drive key strategic priorities within specific academies and also more widely across the Trust.
- Leadership structure as described above has enabled the development of a refined deployment model to support strategic areas for improvement based on identified risk.

Strategic report (continued)

Achievements and performance (continued)

- Leaders from across the Trust have secured designation as Visiting Fellows in support of the new National Professional Qualification (NPQ) Framework, facilitating on the NPQ for Senior Leadership, Leading Teaching and Learning and Leading Behaviour and Culture. The development of a WRAT-wide network of expert practitioners, both operationally and educationally, is ongoing and aims to provide appropriate capacity for a growing demand for school improvement support.

High quality learning

- All secondary academies within the trust are judged as 'good' schools by Ofsted. The fourth school is currently undesignated and is due its first inspection in 2022/23.
- Board appointed Academy Improvement Partner completed key quality visits and reported to the board, including a series of curriculum deep dives. All reports indicated the quality of education at all three academies remains 'good' with some areas of exceptional practice. The Academy Improvement Partner noted significant improvement at the new primary provision, a view that has been validated by external review by leaders from a local Teaching School Hub.
- The rapid development of a programme of remote learning, in keeping with the government 'Blended Learning' agenda has been established in response to Covid-19. The quality of this provision has been externally scrutinised by the board-appointed Academy Improvement Partner.
- High Performance Learning, as a key strategic catalyst for trust-wide continuous improvement, has been launched across all academies. The two-year programme, rooted in cutting edge research, provides a pathway to world-class status accreditation by 2023.
- Outcomes continue to improve for students progressing from WRAT academies. Whilst GCSE outcomes in 2021 are based on Teacher Assessed Grades and headline measures are therefore not published for 2021, the outcomes secured were based on a robust and externally scrutinised methodology, ensuring students were awarded grades that were based on strong evidence.
- The proportion of students leaving in 2021 securing positive destinations, is testament to the quality of teaching, careers education, advice and guidance delivered across the Trust. The rate at which students from White Rose Academies secure positive destinations post-16 stands at 97%.

Strategic report (continued)

Achievements and performance (continued)

Grow sustainability to scale

- The WRAT remains a small Trust with ambition and a clear mandate for growth supported by the Regional Schools Commissioner.
- The Trust remains committed to growth and continuously explores opportunity to exert further positive impact on the quality of education in the region.
- Appropriate due diligence work completed on first allocated sponsored academy and as a result, the Trust secured its fourth provision in December 2020; Mill Field Primary School joined as a sponsored primary academy and has subsequently changed its name to Alder Tree Primary Academy. This has added the first primary provision to the Trust's family of schools.
- One further academy is expected to join voluntarily in the next twelve months.
- Each Secondary academy has grown in popularity within their respective communities, evident in the number of students on roll, which has grown materially over the past four years, but most significantly in 2020/21
 - o Leeds City Academy's number on roll has grown to 797 and the school has been approached by Leeds City Council and agreed to accept further growth in student numbers for 2021/22.
 - o The number of students on roll at Leeds East Academy has grown further during 2020/21, and now stands at 987 for the year.
 - o Leeds West Academy is oversubscribed and has consistently recruited over its Published Admission Number (PAN) for the last five years. Leaders have worked closely with the local authority to consult on a permanent increase to its PAN to 300 from September 2021. This is supported by a £5M building programme to extend key facilities and create additional specialist teaching spaces to enable the school to safely and effectively educate as a school of 1,500 students by 2023.
- The Trust continues to explore and extend partnerships across the region. Ongoing high-level engagement with Local Authority partners, and through partnership with the Leeds Learning Alliance and the Bradford Teaching School Hub, to maximise opportunities for growth and influence in the region.

Invest in the Workforce

- The Trust Leadership and Wider Leadership Groups continued leading Trust-wide development thinking on:
 - o Wellbeing
 - o Recruitment and Retention
 - o Professional Development
 - o Curriculum design
 - o Teaching, learning and assessment
- The WRAT CPD programme continues to invest in the professional development of colleagues from all academies, underpinning effective induction, embracing the principles of the Early Career Framework and ensuring development is appropriate for all career stages, up to and including Principal level.

• **Going concern**

The Directors have considered the continued impact of Covid-19 on the Trust's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Directors are confident that they have plans in place to deal with and mitigate any financial losses that may arise. The Directors therefore consider that the level of reserves for the Trust are adequate. The Directors continue to adopt the going concern basis of preparation for these financial statements.

WHITE ROSE ACADEMIES TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

● ***Review of financial period***

The majority of income for educational operations received by White Rose Academies Trust during the year was from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants. The grants received to support the three academies in the Trust are restricted in their use to the purposes defined in the master funding agreement and deed of grant.

The White Rose Academies Trust also receives capital grants from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total income was £30,707k (2020: £23,274k).

The operational surplus, excluding depreciation, pension liabilities and amounts inherited on conversion, shown in the General fund has increased by £415k in the year ended 31 August 2021 to £579k (2020: £473k) in the Restricted General fund and £309k (2020: £nil) in the Unrestricted General fund.

The net book value of tangible fixed assets at 31 August 2021 was £60,660k (2020: £57,350k).

As at the 31 August 2021 the trust had cash reserves and cash balances on deposit of £1,370k (2020: £1,327k).

● ***Reserves policy***

The directors review the reserve levels of the White Rose Academies Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The unrestricted reserves at 31 August 2021 of £309k (2020: £nil) are freely available for general purposes.

Restricted funds of £579k (2020: £473k) include those designated for a particular purpose such as unspent start-up grants which are disclosed in note 20 to these accounts. These funds will be expended as required dependent upon the level of core funding over the next three years.

● ***Investment policy***

Investments must be made only in accordance with written procedures approved by the board. In balancing risk against return the policy of White Rose Academies Trust is geared to risk reduction. Investment decisions take account of cash flows required to cover financial commitments.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information will normally be the date of purchase, the cost and description of the investment.

● ***Principal risks and uncertainties***

The Trust is exposed to a range of risks and these risks are monitored and managed through the Risk Management Policy and Procedure that is in place at the Trust. Through this procedure, risk registers are maintained by each academy and a single risk register is maintained capturing the strategic risks for the whole trust. The strategic risk register is regularly reviewed by the senior leadership team and is also scrutinised by the Audit & Finance Committee. The Board regularly receive the strategic risk register and an annual risk report. The Trust has a range of internal controls that enable risks to be monitored and prompt mitigating action to be taken.

The Trust also utilises the services of external professionals, in areas such as health and safety, safeguarding and school improvement, who provide independent reports to Trustees on the trust's work to mitigate and alleviate risks in these key areas.

The principal risks to the Trust include:

1. Funding - The majority of the funding for the Trust's activities is in the form of grant funding from the ESFA and the Trust is exposed to the risk of changes to government policy and practice over which the Trust has no direct influence. The Trust is also monitoring the potential impact of Brexit on the communities where its academies are located and the impact on student numbers that could arise from the change in the composition of these communities.
2. Growth - Following the positive Ofsted results for the existing academies in the Trust in summer 2019, it is anticipated that the Trust will increase the number of academies in the coming years. Any growth opportunities will be subject to a rigorous due diligence process and the Trust will continually review its level of capacity in terms of personnel, processes and systems to ensure that the growth is managed in a controlled and sustainable manner.
3. Pensions - The trust continues to be exposed to the risk of future increases in the employer pension contributions arising from triennial revaluations in future years. The West Yorkshire Pension Fund continues to have a strong funding position (106% as at 31 March 2019) and the 2019 increase in the employers teachers' pension contributions was supported with grant funding. The potential financial impact of future increase in employers pension contributions for the two pension schemes will be kept under review.

● **Streamlined Energy and Carbon Reporting**

| UK Greenhouse Gas Emissions and Energy Use Data for the period 1 September 2020 to 31 August 2021 | 2020-21 | 2019-20 |
|--|--|--|
| Energy consumption used to calculate emissions | | |
| Energy consumption breakdown <ul style="list-style-type: none"> ● Gas ● Electricity ● Transport Fuel | 3,285,593 kWh 2,003,638 kWh 16,330 miles | 2,235,980 kWh 1,109,960 kWh 25,221 miles |
| Scope 1 – Emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> ● Gas consumption ● Owned Transport – Mini Buses | 604 5 | 411 8 |
| Scope 2 – Emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> ● Purchased Electricity | 467 | 284 |
| Scope 3 – Emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> ● Business travel in employee owned vehicles | 2 | 2 |
| Total gross emissions in metric tonnes CO₂e | 1,078 | 705 |
| Intensity Ratio Tonnes CO ₂ e per pupil Oct 2020 census = 3,089 pupils | 0.349 | 0.244 |

Quantification and Reporting Methodology

We have followed the 2020 HM Government Environmental Reporting Guidelines. We have also used the Greenhouse Gas Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s conversion factors for company reporting.

Intensity Measurement

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

Measures taken to improve energy efficiency

We have an ongoing programme to replace lighting units within our academies with energy efficient LED units.

WHITE ROSE ACADEMIES TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

The Academy Trust has not actively participated in fundraising practices in the financial year. However, the directors are aware of the requirements of the Charities (Protection and Social Investment) Act 2016 in relation to fundraising practices.

Plans for future periods

The Academy Trust plans to continue the work undertaken to improve reading and learning at its academies to further improve the educational experience provided to our young people. This will be delivered through the rigorous implementation of the locally developed Academy Development and Improvement Plans (ADIPs), shaped through the ongoing scrutiny and challenge of our external Academy Improvement Partner. The Academy Trust is implementing a framework with High Performance Learning (HPL) that is a research-based, pedagogy-led philosophy which will positively impact students. All four academies have designed their bespoke HPL Road Map to ensure the implementation of the philosophy aligns with strategic plans and this will be implemented over the next two years. The Academy Trust will explore potential growth opportunities that arise where the option is a logical step for the Trust and will result in sustained growth for the Trust. We will continue to invest in our staff and facilities to ensure that our students achieve the best possible outcomes.

Employee involvement

The Trust actively engages with all its employees on a continual basis and during the past year has:

- Undertaken a Trust wide annual staff survey, with 88% of staff stating that they were proud to work for the Trust
- Created a trust wide wellbeing group to develop a range of wellbeing initiatives, including the appointment of wellbeing representatives at each academy.
- Undertaken an extensive programme of communications to provide support to staff during the Covid-19 including the creation of a confidential staff welfare e-mail address for staff to raise concerns.

Disclosure of information to auditors

Insofar as the Directors are aware:

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

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, and signed on its behalf by:

Helena Phillips

Helena Phillips (Dec 13, 2021 20:25 GMT)

.....
H Phillips

(Chair of Directors)

Date: Dec 13, 2021

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

The Board of Directors has overall responsibility for ensuring that White Rose Academies Trust has an effective and appropriate system of control - financial and otherwise.

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

The board delegates the day-to-day responsibility for running the Trust to the Chief Executive Officer. The Chief Executive Officer is also the Trust's Accounting Officer and is responsible for ensuring that financial controls conform with the requirements of both propriety and good financial management and comply with the requirements and responsibilities assigned to it in the funding agreement between White Rose Academies Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

The information provided in this section supplements that which is referred to in the Directors' Report and in the Statement of Directors' Responsibilities.

Board of directors

The board of directors have formally met 6 times during the year.

Attendance by directors at meetings of the Board was as follows:

| Director | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| H Philips, Chair | 6 | 6 |
| C Booth OBE | 6 | 6 |
| L Devenny | 4 | 6 |
| Cllr C Gruen | 5 | 6 |
| E Hiorns | 6 | 6 |
| P Morrissey | 5 | 6 |
| M Parkes | 4 | 6 |
| K A Pearlman-Shaw | 6 | 6 |
| D Strachan | 6 | 6 |
| A Whitaker | 6 | 6 |
| C Williams | 6 | 6 |
| A McMaster (appointed 4 February 2021) | 3 | 4 |

GOVERNANCE STATEMENT (CONTINUED)

Board of directors (continued)

The Board having continued a Board Development Programme, sponsored by the Department for Education, during the year. The insight from this programme has been used to further develop the governance arrangements at the Trust.

As the Trust has matured, data and other information provided to the Board, Board Committee and Local Accountability Boards has been subject to ongoing review and enhancement.

All Terms of Reference and other constitutional documents and arrangements have been reviewed, with the aim of further increasing the range and rigour of information provided throughout the governance structure.

The Trust receives reports at each board meeting setting out financial performance to date and the forecast outturn position. Financial performance has been strong over the past two years and the trust is operating in a financially sustainable position.

Audit Risk and Finance Committee

The Audit Risk and Finance Committee is a committee of the Trust Board, established under the terms of Article 101 of the Trust's Articles of Association. The purpose of the committee is to assist the decision-making of the Trust by providing a process for independent checking of financial controls, systems, transactions and risks, independent of management.

The Academies Financial Handbook published by the Education Funding Agency (ESFA) requires that the Audit Risk and Finance Committee's work must focus on providing assurance to the Board of Directors that risks are being adequately identified and managed by reviewing the risks to internal financial control at the Trust; and agreeing a programme of work to address, and provide assurance on, those risks.

As part of a multi-academy trust (MAT), the Committee's oversight extends to the financial controls and risks at constituent academies.

The committee's oversight includes information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims completed by the Trust and its constituent academies, is accurate and in compliance with funding criteria.

The committee met formally 4 times during the year. Attendance during the year at meetings was as follows:

| | Meetings attended | Out of a possible |
|---------------------|-------------------|-------------------|
| L Devenny, Chair | 4 | 4 |
| D Strachan | 3 | 4 |
| C Williams | 3 | 4 |
| C Blythe (co-opted) | 3 | 3 |

GOVERNANCE STATEMENT (CONTINUED)

Board of directors (continued)

Focus on Governance

The Board re-engaged with the NGA's Development Programme during 2020/21 to develop and support excellent governance. The strongest area highlighted in the exercise related to effective accountability of the executive leadership, with trust and respect for the Chair and Clerk also being specially highlighted as an area of strength. Investing in board development demonstrates that the Trust values continual learning and will encourage others to continuously learn and develop, creating a vibrant learning organisation as well as demonstrating a commitment to ensuring that the organisation is kept safe and operating within legal and regulatory frameworks. In addition to the development programme, the Board sought further re-assurances regarding specific operating structures by utilising their subscription to the NGA's Gold Service and seeking legal advice.

Through the development of a Board action plan, a draft of which was shared with the Board at their meeting on 3 November 2021, the Board have committed to addressing areas for development and supporting executive management into the future.

Review of value for money

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

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

- utilising the Central Trust team to provide support in academy improvement and various support services including Finance, HR, ICT, Marketing, Professional Development and Governance.
- recruitment to shared posts across a number of academies and the secondment of staff across the Trust. the adoption of common processes and systems in the academies across the Trust.
- the provision of a number of services from Luminare Education Group, the Trust Sponsor, on an at cost basis in compliance with the ESFA requirements.
- the procurement of a number of supplies across the Trust including multifunctional devices, grounds maintenance servicing, management information system and mechanical plant planned maintenance. These new contractual arrangements are expected to deliver improved value for money whilst minimising administrative burden.

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 White Rose Academies Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of directors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of directors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of directors
- regular reviews by the Audit Risk and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Directors has decided to employ Moorlands Learning Trust as internal auditor.

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

- Health and safety
- Finance and procurement
- Data security

On a termly basis, the internal auditor reports to the board of directors through the Audit Risk and Finance Committee on the operation of the systems of control and on the discharge of the financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor delivered their programme of work as planned and confirmed there were no material control issues noted during the testing.

Review of effectiveness

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

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

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

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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

Helena Phillips
[Helena Phillips \(Dec 13, 2021 20:25 GMT\)](#)

.....
H Phillips
Chair of Directors

Date: Dec 13, 2021

Andrew Whitaker
[Andrew Whitaker \(Dec 14, 2021 12:01 GMT\)](#)

.....
A Whitaker
Accounting Officer

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of Directors and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of Directors and ESFA:

In July 2020 the Academy Trust board approved that the Academy Trust enter into a new contract for the provision of IT support services by Luminate Education Group, the trust sponsor, on the same basis as the existing arrangement.

Following approval by the Academy Trust board, approval to enter into this related party transaction was requested from the ESFA prior to commencement of the new contract on 1 September 2020. The ESFA have been in ongoing discussions regarding related party transactions, this approval request and governance issues, and the Academy Trust is supplying all requested information to assist the ESFA in determining its response.

At this date, the ESFA have yet to determine this request, but the Academy Trust continues to receive the service on an at cost, or less than cost basis from Luminate Education Group in advance of receiving confirmation of approval from the ESFA.

Andrew Whitaker

Andrew Whitaker (Dec 14, 2021 12:01 GMT)

.....
A Whitaker
Accounting Officer

Date: Dec 14, 2021

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

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

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

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

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

Helena Phillips

Helena Phillips (Dec 13, 2021 20:25 GMT)

.....
H Phillips

Chair of Directors

Date: Dec 13, 2021

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST

Opinion

We have audited the financial statements of White Rose Academies Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Directors with respect to going concern are described in the relevant sections of this report.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other 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 Directors' Report incorporating the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST (CONTINUED)

Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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 Directors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Charities Act 2011 and the guidance issued by the ESFA;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence with the regulators; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST (CONTINUED)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing correspondence with regulators and reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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

Use of our report

This report is made solely to the Academy 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lesley Kendrew (Senior Statutory Auditor)

for and on behalf of

BHP LLP

Chartered Accountants

New Chartford House

Centurion Way

Cleckheaton

BD19 3QB

Date: Dec 14, 2021

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WHITE ROSE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by White Rose Academies Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to White Rose Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to White Rose Academies 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 White Rose Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of White Rose Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of White Rose Academies Trust's funding agreement with the Secretary of State for Education dated 31 July 2014 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives,
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions,
- checking that any related party transactions during the period are conducted at normal commercial rates,
- checking that academy trust expenditure is permitted by its funding agreement,
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook,
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Conclusion

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

In July 2020 the Academy Trust board approved that the Academy Trust enter into a new contract for the provision of IT support services by Luminate Education Group, the trust sponsor, on the same basis as the existing arrangement.

Following approval by the Academy Trust board, approval to enter into this related party transaction was requested from the ESFA prior to commencement of the new contract on 1 September 2020. The ESFA have been in ongoing discussions regarding related party transactions, this approval request and governance issues, and the Academy Trust is supplying all requested information to assist the ESFA in determining its response.

At this date, the ESFA have yet to determine this request, but the Academy Trust continues to receive the service on an at cost, or less than cost basis from Luminate Education Group in advance of receiving confirmation of approval from the ESFA.



Lesley Kendrew
Reporting Accountant
BHP LLP
Chartered Accountants

New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: Dec 14, 2021

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

| | | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Restricted fixed asset funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|---|------|---------------------------------------|-------------------------------------|---|--------------------------------|--------------------------------|
| | Note | | | | | |
| Income from: | | | | | | |
| Donations and capital grants: | 3 | | | | | |
| Transfer from local authority on conversion | | - | (899) | 3,750 | 2,851 | - |
| Other donations and capital grants | | 118 | - | 1,478 | 1,596 | 1,505 |
| Charitable activities | 4 | - | 25,716 | - | 25,716 | 21,201 |
| Other trading activities | 5 | 544 | - | - | 544 | 567 |
| Investments | 6 | - | - | - | - | 1 |
| Total income | | 662 | 24,817 | 5,228 | 30,707 | 23,274 |
| Expenditure on: | | | | | | |
| Charitable activities | 7,8 | 1,602 | 25,509 | 1,832 | 28,943 | 23,909 |
| Total expenditure | | 1,602 | 25,509 | 1,832 | 28,943 | 23,909 |
| Net (expenditure)/income | | (940) | (692) | 3,396 | 1,764 | (635) |
| Transfers between funds | 20 | 1,249 | (1,660) | 411 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 309 | (2,352) | 3,807 | 1,764 | (635) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 28 | - | (168) | - | (168) | (2,460) |
| Net movement in funds | | 309 | (2,520) | 3,807 | 1,596 | (3,095) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | 20 | - | (9,599) | 57,484 | 47,885 | 50,980 |
| Net movement in funds | 20 | 309 | (2,520) | 3,807 | 1,596 | (3,095) |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

| | | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Restricted fixed asset funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|------------------------------------|------|---------------------------------------|-------------------------------------|---|--------------------------------|--------------------------------|
| | Note | | | | | |
| Total funds carried forward | 20 | <u>309</u> | <u>(12,119)</u> | <u>61,291</u> | <u>49,481</u> | <u>47,885</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 35 to 68 form part of these financial statements.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07958615

BALANCE SHEET
AS AT 31 AUGUST 2021

| | Note | 2021 £000 | 2020 £000 |
|---|------|----------------------|----------------------|
| Fixed assets | | | |
| Intangible assets | 14 | - | - |
| Tangible assets | 15 | 60,660 | 57,350 |
| | | <u>60,660</u> | <u>57,350</u> |
| Current assets | | | |
| Stocks | 16 | 61 | 20 |
| Debtors | 17 | 2,209 | 1,748 |
| Cash at bank and in hand | | 1,370 | 1,327 |
| | | <u>3,640</u> | <u>3,095</u> |
| Creditors: amounts falling due within one year | 18 | (2,101) | (2,463) |
| Net current assets | | <u>1,539</u> | <u>632</u> |
| Total assets less current liabilities | | <u>62,199</u> | <u>57,982</u> |
| Creditors: amounts falling due after more than one year | 19 | (20) | (25) |
| Net assets excluding pension liability | | <u>62,179</u> | <u>57,957</u> |
| Defined benefit pension scheme liability | 28 | (12,698) | (10,072) |
| Total net assets | | <u><u>49,481</u></u> | <u><u>47,885</u></u> |
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 20 | 61,291 | 57,484 |
| Restricted income funds | 20 | 579 | 473 |
| Pension reserve | 20 | (12,698) | (10,072) |
| Total restricted funds | 20 | <u>49,172</u> | <u>47,885</u> |
| Unrestricted income funds | 20 | <u>309</u> | <u>-</u> |
| Total funds | | <u><u>49,481</u></u> | <u><u>47,885</u></u> |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 30 to 68 were approved and authorised for issue by the Directors and are signed on their behalf, by:

Helena Phillips

Helena Phillips (Dec 13, 2021 20:25 GMT)

.....
H Philips

Chair of Directors

Date: Dec 13, 2021

The notes on pages 35 to 68 form part of these financial statements.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | 2021 £000 | 2020 £000 |
|---|--------|--------------|--------------|
| Cash flows from operating activities | | | |
| Net cash (used in)/provided by operating activities | 22 | (38) | 942 |
| Cash flows from investing activities | 23 | 81 | (191) |
| Change in cash and cash equivalents in the year | | 43 | 751 |
| Cash and cash equivalents at the beginning of the year | | 1,327 | 576 |
| Cash and cash equivalents at the end of the year | 24, 25 | 1,370 | 1,327 |

The notes on pages 35 to 68 form part of these financial statements

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Directors have considered the impact of Covid-19 on the Trust's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Directors are confident that they have plans in place to deal with and mitigate any financial losses that may arise. The Directors therefore consider that the level of reserves for the Trust are adequate. The Directors continue to adopt the going concern basis of preparation for these financial statements.

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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Sponsorship income**

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year 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 'Stocks' 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 financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- Donated fixed assets (excluding transfers on conversion or into the Academy Trust)

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' 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. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Intangible assets

Intangible assets costing £2,500 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 assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

| | |
|-------------------|----------------------------|
| Computer software | - 33 % straight line basis |
|-------------------|----------------------------|

1.8 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

| | |
|-----------------------------|---------------------------|
| Freehold land and buildings | - 2% straight line basis |
| Furniture and equipment | - 20% straight line basis |
| Motor vehicles | - 20% straight line basis |
| Computer hardware | - 33% straight line basis |

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Operating leases

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

1. Accounting policies (continued)

1.15 Pensions

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.

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

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

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

1.16 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 Directors.

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

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

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

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Restricted fixed asset funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|---|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Transfer from local authority on conversion | - | (899) | 3,750 | 2,851 | - |
| Donated fixed assets | - | - | (155) | (155) | 1,014 |
| Donations | 118 | - | - | 118 | 2 |
| Capital grants | - | - | 1,633 | 1,633 | 489 |
| Total 2021 | 118 | (899) | 5,228 | 4,447 | 1,505 |
| Total 2020 | 2 | - | 1,503 | 1,505 | |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's educational operations

| | Restricted funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|---------------------------------------|---|--|--------------------------------|
| <i>DfE/ESFA grants</i> | | | |
| General Annual Grant (GAG) | 21,313 | 21,313 | 18,467 |
| Other DfE/ESFA grants | | | |
| Start up grants | 50 | 50 | - |
| Pupil Premium | 1,650 | 1,650 | 1,372 |
| Rates relief | 94 | 94 | 94 |
| Coronavirus exceptional support | - | - | 156 |
| Others | 1,868 | 1,868 | 868 |
| | <hr/> | <hr/> | <hr/> |
| | 24,975 | 24,975 | 20,957 |
| <i>Other Government grants</i> | | | |
| Special Education Needs | 337 | 337 | 199 |
| Local authority grants | 404 | 404 | 45 |
| | <hr/> | <hr/> | <hr/> |
| | 741 | 741 | 244 |
| Total 2021 | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| | 25,716 | 25,716 | 21,201 |
| Total 2020 | <hr/> <hr/> | <hr/> <hr/> | |
| | 21,201 | 21,201 | |

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|--------------------|---|--|--------------------------------|
| Hire of facilities | 6 | 6 | 33 |
| Catering | 196 | 196 | 271 |
| Trip income | - | - | 134 |
| Insurance claims | 20 | 20 | 37 |
| Other income | 322 | 322 | 92 |
| Total 2021 | 544 | 544 | 567 |
| Total 2020 | 567 | 567 | |

6. Investment income

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|--------------------------|---|--|--------------------------------|
| Short term bank deposits | - | - | 1 |
| Total 2020 | 1 | 1 | |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

| | Staff Costs | Premises | Other | Total | Total |
|-------------------------|--------------------|-----------------|--------------|----------------------|---------------|
| | 2021 | 2021 | 2021 | 2021 | 2020 |
| | £000 | £000 | £000 | £000 | £000 |
| Education: | | | | | |
| Direct costs | 16,120 | - | 4,889 | 21,009 | 17,951 |
| Allocated support costs | 4,161 | 1,487 | 2,286 | 7,934 | 5,958 |
| Total 2021 | <u>20,281</u> | <u>1,487</u> | <u>7,175</u> | <u>28,943</u> | <u>23,909</u> |
| Total 2020 | <u>16,787</u> | <u>2,950</u> | <u>4,172</u> | <u>23,909</u> | |

8. Analysis of expenditure by activities

| | Activities | Support costs | Total | Total |
|------------|-------------------|----------------------|---------------|-------------|
| | undertaken | 2021 | funds | funds |
| | directly | 2021 | 2021 | 2020 |
| | 2021 | £000 | £000 | £000 |
| | £000 | £000 | £000 | £000 |
| Education | 21,009 | 7,934 | 28,943 | 23,909 |
| Total 2020 | <u>17,951</u> | <u>5,958</u> | <u>23,909</u> | |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Education | Total | Total |
|---------------------------------------|------------------|---------------------|--------------|
| | 2021 | 2021 | funds |
| | £000 | £000 | 2020 |
| | | | £000 |
| Staff costs | 3,644 | 3,644 | 2,699 |
| Depreciation | 1 | 1 | 10 |
| Other costs | 2,510 | 2,510 | 1,690 |
| Maintenance of premises and equipment | 1,487 | 1,487 | 1,309 |
| Technology costs | 272 | 272 | 231 |
| Governance | 20 | 20 | 19 |
| Total 2021 | <u>7,934</u> | <u>7,934</u> | <u>5,958</u> |
| Total 2020 | <u>5,958</u> | <u>5,958</u> | |

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

| | 2021 | 2020 |
|---------------------------------------|------------------|-----------|
| | £000 | £000 |
| Depreciation of tangible fixed assets | 1,832 | 1,691 |
| Amortisation of intangible assets | - | 2 |
| Fees paid to auditors for: | | |
| - audit | 13 | 10 |
| - other assurance services | 5 | 4 |
| | <u>18</u> | <u>26</u> |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2021 | 2020 |
|---------------------------|---------------------------|--------------------|
| | £000 | £000 |
| Wages and salaries | 14,077 | 12,014 |
| Social security costs | 1,392 | 1,193 |
| Pension costs | 4,290 | 3,325 |
| | <hr/> 19,759 | <hr/> 16,532 |
| Agency staff costs | 379 | 130 |
| Staff restructuring costs | 143 | 125 |
| | <hr/> 20,281 <hr/> | <hr/> 16,787 <hr/> |

Staff restructuring costs comprise:

| | 2021 | 2020 |
|---------------------|------------------------|-----------------|
| | £000 | £000 |
| Redundancy payments | 55 | 2 |
| Severance payments | 88 | 123 |
| | <hr/> 143 <hr/> | <hr/> 125 <hr/> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £88k (2020 - £123k). Individually the payments were: £5,000, £20,857, £3,057, £29,000, £20,000, £4,929, and £5,380

c. Staff numbers

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

| | 2021 | 2020 |
|----------------------------|-------------|------|
| | No. | No. |
| Teachers | 247 | 218 |
| Administration and support | 210 | 156 |
| Management | 7 | 5 |
| | 464 | 379 |

d. Higher paid staff

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

| | 2021 | 2020 |
|---------------------------------|-------------|------|
| | No. | No. |
| In the band £60,001 - £70,000 | 13 | 8 |
| In the band £70,001 - £80,000 | 1 | 1 |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £90,001 - £100,000 | 1 | 2 |
| In the band £100,001 - £110,000 | 2 | 1 |
| In the band £120,001 - £130,000 | 1 | - |
| In the band £140,001 - £150,000 | 1 | 1 |

e. Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £744k (2020 - £690k).

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Central services

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

- Financial Services
- HR Services
- Marketing and Communication
- School Improvement Services
- Continuing professional development

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

Flat percentage of 5% of total income

The actual amounts charged during the year were as follows:

| | 2021 | 2020 |
|--|--------------|-------|
| | £000 | £000 |
| Leeds City Academy | 370 | 367 |
| Leeds East Academy | 362 | 333 |
| Leeds West Academy | 443 | 327 |
| Alder Tree Primary Academy (formerly Mill Field Primary Academy) | 73 | - |
| Total | 1,248 | 1,027 |

12. Directors' remuneration and expenses

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Directors' remuneration and other benefits was as follows:

| | | 2021 | 2020 |
|--------------------------------------|----------------------------|------------------|-----------|
| | | £000 | £000 |
| A Whitaker - Chief Executive Officer | Remuneration | 145 - 150 | 140 - 145 |
| | Pension contributions paid | 30 - 35 | 30 - 35 |

During the year, retirement benefits were accruing to 1 Director (2020 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, no Director expenses have been incurred (2020 - £NIL).

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Directors' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000k on any one claim and the costs for the year ended 31 August 2021 are not separable as the RPA charge is based on student numbers. The cost of this insurance is included in the total insurance cost.

14. Intangible assets

| | Computer software £000 |
|-----------------------|---------------------------------------|
| Cost | |
| At 1 September 2020 | 74 |
| At 31 August 2021 | 74 |
| Amortisation | |
| At 1 September 2020 | 74 |
| At 31 August 2021 | 74 |
| Net book value | |
| At 31 August 2021 | - |
| At 31 August 2020 | - |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2021

15. Tangible fixed assets

| | Freehold land and buildings £000 | Furniture and equipment £000 | Computer equipment £000 | Motor vehicles £000 | Total £000 |
|---------------------------------|--|------------------------------------|-------------------------------|------------------------|----------------------|
| <i>Cost or valuation</i> | | | | | |
| At 1 September 2020 | 63,511 | 3,840 | 1,567 | 52 | 68,970 |
| Additions | 820 | 278 | 294 | - | 1,392 |
| Acquired on conversion | 3,750 | - | - | - | 3,750 |
| At 31 August 2021 | <u>68,081</u> | <u>4,118</u> | <u>1,861</u> | <u>52</u> | <u>74,112</u> |
| <i>Depreciation</i> | | | | | |
| At 1 September 2020 | 7,325 | 2,850 | 1,394 | 51 | 11,620 |
| Charge for the year | 1,340 | 358 | 133 | 1 | 1,832 |
| At 31 August 2021 | <u>8,665</u> | <u>3,208</u> | <u>1,527</u> | <u>52</u> | <u>13,452</u> |
| <i>Net book value</i> | | | | | |
| At 31 August 2021 | <u><u>59,416</u></u> | <u><u>910</u></u> | <u><u>334</u></u> | <u><u>-</u></u> | <u><u>60,660</u></u> |
| At 31 August 2020 | <u><u>56,186</u></u> | <u><u>990</u></u> | <u><u>173</u></u> | <u><u>1</u></u> | <u><u>57,350</u></u> |

The academy trust's transactions relating to land and buildings included:

- the acquisition of the freehold land and buildings which was donated to the academy trust at a value of £62,254k

16. Stocks

| | 2021 £000 | 2020 £000 |
|--|------------------|------------------|
| Uniform, planners, exercise books etc. | <u><u>61</u></u> | <u><u>20</u></u> |

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Debtors

| | 2021 | 2020 |
|-----------------------------------|--------------|--------------|
| | £000 | £000 |
| <i>Due within one year</i> | | |
| Trade debtors | 150 | 380 |
| Other debtors | 255 | 144 |
| Prepayments and accrued income | 1,804 | 1,224 |
| | <u>2,209</u> | <u>1,748</u> |

18. Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|------------------------------|--------------|--------------|
| | £000 | £000 |
| Other loans | 5 | 5 |
| Trade creditors | 1,181 | 1,081 |
| Other creditors | 64 | 603 |
| Accruals and deferred income | 851 | 774 |
| | <u>2,101</u> | <u>2,463</u> |

| | 2021 | 2020 |
|--|-------------|-----------|
| | £000 | £000 |
| Deferred income at 1 September 2020 | 53 | 5 |
| Resources deferred during the year | 55 | 53 |
| Amounts released from previous periods | (53) | (5) |
| | <u>55</u> | <u>53</u> |

At the balance sheet date, the Academy Trust was holding rates rebates received in advance of £55k.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Creditors: Amounts falling due after more than one year

| | 2021 | 2020 |
|------------|-------------|------|
| | £000 | £000 |
| Salix loan | 20 | 25 |

Amounts included above repayable by instalments which fall due after five years £nil (2020 - £5k).

The Salix loan balance above is repayable over a period of 8 years commencing September 2018 and is an interest free loan from the DfE for roofing improvement works at Leeds City Academy, and will be repaid in August 2026.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds

| | Balance at 1 Sept 2019 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2021 £000 |
|--|-----------------------------------|----------------|---------------------|-----------------------------|----------------------------|--------------------------------------|
| <i>Unrestricted funds</i> | | | | | | |
| General Funds | - | 662 | (1,602) | 1,249 | - | 309 |
| <i>Restricted general funds</i> | | | | | | |
| General Annual Grant (GAG) | 158 | 21,313 | (19,232) | (1,660) | - | 579 |
| Start up grant | 315 | 50 | (365) | - | - | - |
| Pupil Premium | - | 1,650 | (1,650) | - | - | - |
| Rates relief | - | 94 | (94) | - | - | - |
| Other DfE/ESFA grants | - | 1,868 | (1,868) | - | - | - |
| Special Education Needs | - | 337 | (337) | - | - | - |
| Local authority grants | - | 404 | (404) | - | - | - |
| Pension reserve | (10,072) | (899) | (1,559) | - | (168) | (12,698) |
| | (9,599) | 24,817 | (25,509) | (1,660) | (168) | (12,119) |
| <i>Restricted fixed asset funds</i> | | | | | | |
| Fixed assets transferred on conversion | 49,103 | 3,750 | (1,171) | - | - | 51,682 |
| ESFA capital grants | 678 | 1,633 | (254) | - | - | 2,057 |
| Revaluation | 5,826 | - | (139) | - | - | 5,687 |
| Capital expenditure from GAG | 633 | - | (238) | 411 | - | 806 |
| Donated assets | 1,244 | (155) | (30) | - | - | 1,059 |
| | 57,484 | 5,228 | (1,832) | 411 | - | 61,291 |

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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

| | Balance at 1 September 2020 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2021 £000 |
|-----------------------------------|---|----------------|---------------------|-----------------------------|----------------------------|--------------------------------------|
| Total Restricted funds | 47,885 | 30,045 | (27,341) | (1,249) | (168) | 49,172 |
| Total funds | 47,885 | 30,707 | (28,943) | - | (168) | 49,481 |

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

The General Annual Grant (GAG) has been provided by the ESFA in order to fund the normal running costs of the academy trust. The carried forward balance will be applied in future years to enable the establishment of a minimum prudent level of reserves to manage risks and unforeseen costs.

Start Up Grant represents funding from the ESFA to support the management structure of Leeds City Academy during the period of student number growth.

The reserves transferred from the previous sponsor represent grants held to support Leeds West and Leeds East academies during the transition from the estimated funding model to lagged funding whilst still in the period of student number growth.

Other ESFA grants are allocated against the particular purpose for which they are provided.

The restricted pension reserve represents the deficit on the four academies in the trust's share of the Local Government Pension Scheme as at 31 August 2021.

Restricted fixed asset funds represent the undepreciated value of the tangible fixed assets and funds allocated for future capital projects.

Other restricted funds related to funds held on behalf of White Rose Academies Trust for specific activities governed by the terms of the grant.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

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

| | Balance at 1 September 2019 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2020 £000 |
|--|---|----------------|---------------------|-----------------------------|----------------------------|---|
| <i>Unrestricted funds</i> | | | | | | |
| General Funds | (257) | 570 | (1,909) | 1,596 | - | - |
| <i>Restricted general funds</i> | | | | | | |
| General Annual Grant (GAG) | - | 18,467 | (19,232) | 923 | - | 158 |
| Start up grant | - | 2,326 | - | (2,326) | - | - |
| Pupil Premium | 315 | - | - | - | - | 315 |
| Rates relief | - | 408 | - | (408) | - | - |
| Pension reserve | (6,538) | - | (1,074) | - | (2,460) | (10,072) |
| | (6,223) | 21,201 | (20,306) | (1,811) | (2,460) | (9,599) |
| <i>Restricted fixed asset funds</i> | | | | | | |
| Fixed assets transferred on conversion | 50,218 | - | (1,115) | - | - | 49,103 |
| ESFA capital grants | 638 | 489 | (217) | (232) | - | 678 |
| Revaluation | 5,958 | - | (132) | - | - | 5,826 |
| Capital expenditure from GAG | 646 | - | (228) | 215 | - | 633 |
| Donated assets | - | 1,014 | (2) | 232 | - | 1,244 |
| | 57,460 | 1,503 | (1,694) | 215 | - | 57,484 |
| <i>Total Restricted funds</i> | 51,237 | 22,704 | (22,000) | (1,596) | (2,460) | 47,885 |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

| | | | | | | |
|--------------------|--------|--------|----------|---|---------|--------|
| Total funds | 50,980 | 23,274 | (23,909) | - | (2,460) | 47,885 |
|--------------------|--------|--------|----------|---|---------|--------|

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

| | 2021 | 2020 |
|--|-----------------|-------------|
| | £000 | £000 |
| Leeds City Academy | 1,190 | 776 |
| Leeds East Academy | (24) | (76) |
| Leeds West Academy | (106) | (255) |
| Alder Tree Primary Academy (formerly Mill Field Primary Academy) | (186) | - |
| Central Trust | 14 | 28 |
| | <hr/> | <hr/> |
| Total before fixed asset funds and pension reserve | 888 | 473 |
| Restricted fixed asset fund | 61,291 | 57,484 |
| Pension reserve | (12,698) | (10,072) |
| | <hr/> | <hr/> |
| Total | 49,481 | 47,885 |
| | <hr/> <hr/> | <hr/> <hr/> |

The following academies are carrying a net deficit on their portion of the funds as follows:

| | Deficit |
|--|----------------|
| | £000 |
| Leeds East Academy | 24 |
| Leeds West Academy | 106 |
| Alder Tree Primary Academy (formerly Mill Field Primary Academy) | 186 |
| | <hr/> <hr/> |

The Academy Trust is taking the following action to return the academies to surplus:

Leeds East Academy and Leeds West Academy continue to grow student numbers and to carefully control costs. It is expected that the positive financial performance achieved in the past two years will continue into 2021/22 such that each academy will move into a net surplus position by the end of the financial year.

Alder Tree Primary Academy had suffered falling pupil numbers in the years prior to joining the Trust. A staffing restructure was completed in Summer 2021 and pupil numbers are expected to grow as a result of improvements in the educational experience now available at the school.

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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total cost analysis by academy

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

| | Teaching and educational support staff costs £000 | Other support staff costs £000 | Educational supplies £000 | Other costs excluding depreciation £000 | Total 2021 £000 | Total 2020 £000 |
|---|--|---|--|--|--------------------------------|--------------------------------|
| Leeds City Academy | 4,022 | 642 | 617 | 1,310 | 6,591 | 6,229 |
| Leeds East Academy | 4,577 | 476 | 768 | 1,233 | 7,054 | 6,854 |
| Leeds West Academy | 5,676 | 568 | 775 | 1,501 | 8,520 | 7,991 |
| Alder Tree Primary Academy (formerly Mill Field Primary Academy) | 1,212 | 289 | 132 | 281 | 1,914 | - |
| Central Trust | 636 | 2,075 | 34 | 287 | 3,032 | 1,141 |
| Academy Trust | 16,123 | 4,050 | 2,326 | 4,612 | 27,111 | 22,215 |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Restricted fixed asset funds 2021 £000 | Total funds 2021 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|
| Tangible fixed assets | - | - | 60,660 | 60,660 |
| Current assets | 309 | 2,700 | 631 | 3,640 |
| Creditors due within one year | - | (2,101) | - | (2,101) |
| Creditors due in more than one year | - | (20) | - | (20) |
| Provisions for liabilities and charges | - | (12,698) | - | (12,698) |
| Total | 309 | (12,119) | 61,291 | 49,481 |

Analysis of net assets between funds - prior year

| | Restricted funds 2020 £000 | Restricted fixed asset funds 2020 £000 | Total funds 2020 £000 |
|--|-------------------------------------|--|--------------------------------|
| Tangible fixed assets | - | 57,350 | 57,350 |
| Current assets | 2,961 | 134 | 3,095 |
| Creditors due within one year | (2,463) | - | (2,463) |
| Creditors due in more than one year | (25) | - | (25) |
| Provisions for liabilities and charges | (10,072) | - | (10,072) |
| Total | (9,599) | 57,484 | 47,885 |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2021

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2021 | 2020 |
|--|----------------|---------|
| | £000 | £000 |
| Net income/(expenditure) for the year (as per Statement of Financial Activities) | 1,764 | (635) |
| Adjustments for: | | |
| Amortisation | - | 2 |
| Depreciation | 1,832 | 1,691 |
| Capital grants from ESFA and other capital income | (1,478) | (1,503) |
| Interest receivable | - | (1) |
| Defined benefit pension scheme obligation inherited | 899 | - |
| Defined benefit pension scheme cost less contributions payable | 1,382 | 956 |
| Defined benefit pension scheme finance cost | 177 | 118 |
| Decrease/(increase) in stocks | (41) | 74 |
| Decrease/(increase) in debtors | (461) | (820) |
| Increase/(decrease) in creditors | (362) | 1,060 |
| Fixed assets transferred on conversion | (3,750) | - |
| Net cash (used in)/provided by operating activities | (38) | 942 |

23. Cash flows from investing activities

| | 2021 | 2020 |
|--|----------------|---------|
| | £000 | £000 |
| Dividends, interest and rents from investments | - | 1 |
| Purchase of tangible fixed assets | (1,392) | (1,690) |
| Capital grants from ESFA and other capital income | 1,478 | 1,503 |
| Repayment of Salix loan | (5) | (5) |
| Net cash provided by/(used in) investing activities | 81 | (191) |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Analysis of cash and cash equivalents

| | 2021 | 2020 |
|---|--------------|-------|
| | £000 | £000 |
| Cash in hand and at bank | 1,370 | 1,327 |
| <i>Total cash and cash equivalents</i> | 1,370 | 1,327 |

25. Analysis of changes in net debt

| | At 1 | | At 31 August |
|--------------------------|------------------|-------------------|---------------------|
| | September | Cash flows | 2021 |
| | 2020 | £000 | £000 |
| | £000 | | |
| Cash at bank and in hand | 1,327 | 43 | 1,370 |
| Debt due within 1 year | (5) | - | (5) |
| Debt due after 1 year | (25) | 5 | (20) |
| | 1,297 | 48 | 1,345 |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Conversion to an academy trust

On 1 December 2020 Alder Tree Primary Academy (formerly Mill Field Primary School) converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to White Rose Academies Trust from Leeds City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

| | Restricted funds £000 | Restricted fixed asset funds £000 | Total funds £000 |
|--|--------------------------------------|--|---------------------------------|
| <i>Tangible fixed assets</i> | | | |
| Freehold land and buildings | - | 3,750 | 3,750 |
| <i>Non-current liabilities</i> | | | |
| LGPS pension surplus/(deficit) | (899) | - | (899) |
| <i>Net (liabilities)/assets</i> | (899) | 3,750 | 2,851 |

27. Capital commitments

| | 2021 £000 | 2020 £000 |
|--|----------------------|----------------------|
| Contracted for, but not provided in the financial statements | 526 | - |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £2,046k (2020 - £1,731k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £947k (2020 - £704k), of which employer's contributions totalled £681k (2020 - £492k) and employees' contributions totalled £266k (2020 - £212k). The agreed contribution rates for future years are 16.4 per cent for employers and 12.5 per cent 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.

Principal actuarial assumptions

| | 2021 | 2020 |
|--|-------------|------|
| | % | % |
| Rate of increase in salaries | 3.85 | 3.55 |
| Rate of increase for pensions in payment/inflation | 2.60 | 2.30 |
| Discount rate for scheme liabilities | 1.70 | 1.70 |
| Inflation assumption (CPI) | 2.60 | 2.30 |
| Inflation assumption (RPI) | 2.60 | 2.90 |

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

| | 2021 | 2020 |
|----------------------|-------------|-------|
| | Years | Years |
| Retiring today | | |
| Males | 21.9 | 21.8 |
| Females | 24.7 | 24.6 |
| Retiring in 20 years | | |
| Males | 22.6 | 22.5 |
| Females | 25.8 | 25.7 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments (continued)

Sensitivity analysis

| | 2021 | 2020 |
|--|---------------|--------|
| | £000 | £000 |
| Discount rate +0.1% | 26,677 | 19,933 |
| Discount rate -0.1% | 28,095 | 21,008 |
| Mortality assumption - 1 year increase | 28,416 | 21,202 |
| Mortality assumption - 1 year decrease | 26,333 | 19,723 |
| CPI rate +0.1% | 27,451 | 20,516 |
| CPI rate -0.1% | 27,295 | 20,404 |

Share of scheme assets

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

| | 2021 | 2020 |
|-------------------------------------|---------------|--------|
| | £000 | £000 |
| Equities | 11,770 | 8,073 |
| Gilts | 1,174 | 1,007 |
| Corporate bonds | 646 | 519 |
| Property | 558 | 446 |
| Cash and other liquid assets | 322 | 177 |
| Other | 205 | 156 |
| Total market value of assets | 14,675 | 10,378 |

The actual return on scheme assets was £2,498k (2020 (£46k)).

The amounts recognised in the Statement of Financial Activities are as follows:

| | 2021 | 2020 |
|---|----------------|---------|
| | £000 | £000 |
| Current service cost | (2,048) | (1,437) |
| Interest cost | (103) | (118) |
| Total amount recognised in the Statement of Financial Activities | (2,151) | (1,555) |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments (continued)

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

| | 2021 | 2020 |
|--|----------------------|---------------|
| | £000 | £000 |
| At 1 September | 20,460 | 16,453 |
| Transferred in on existing academies joining the trust | 2,086 | - |
| Interest cost | 373 | 308 |
| Employee contributions | 266 | 212 |
| Actuarial losses | 2,470 | 2,224 |
| Benefits paid | (345) | (174) |
| Past service costs | 15 | - |
| Current service cost | 2,048 | 1,437 |
| | <u>27,373</u> | <u>20,460</u> |
| At 31 August | <u>27,373</u> | <u>20,460</u> |

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

| | 2021 | 2020 |
|--|----------------------|---------------|
| | £000 | £000 |
| At 1 September | 10,388 | 9,915 |
| Transferred in on existing academies joining the trust | 1,187 | - |
| Interest income | 196 | 190 |
| Actuarial gains/(losses) | 2,302 | (236) |
| Employer contributions | 681 | 481 |
| Employee contributions | 266 | 212 |
| Benefits paid | (345) | (174) |
| | <u>14,675</u> | <u>10,388</u> |
| At 31 August | <u>14,675</u> | <u>10,388</u> |

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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29. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 | 2020 |
|--|-------------------|------------|
| | £000 | £000 |
| Not later than 1 year | 132 | 152 |
| Later than 1 year and not later than 5 years | 20 | 124 |
| | <u>152</u> | <u>276</u> |

30. Members' liability

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

WHITE ROSE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

31. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors have an interest.

The member and sponsor, The Luminate Education Group, has provided services to the academy trust during the year at cost or less than cost as detailed below:

| | 2021 | 2020 |
|------------------------------|------------------------|-----------------|
| | £000 | £000 |
| Educational course fees | 413 | 454 |
| Managed internet service | - | 15 |
| Work experience coordination | 4 | 6 |
| ITSS service | 378 | 276 |
| Extended school provision | 29 | 29 |
| Miscellaneous | 7 | 9 |
| | <hr/> 831 <hr/> | <hr/> 789 <hr/> |

During the year, the academy trust has charged The Luminate Education Group a total of £87k (2020: £nil) in relation to recharges of staff costs and expenses incurred. At the year end, the academy trust was owed £18k (2020: £nil) from The Luminate Education Group.

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.