

Company Registration No. 07347930 (England and Wales)

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

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WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

I L Croxford
F Colwell
J Gershinson
S Johnson
M A Skelly

Governors

JH Gershinson (Chair of Governors)
MA Skelly (Headmaster)
F Colwell (Vice Chair of Governors; Healthy Schools Governor)
C Casey
M DeGrove (SEND)
D Norman (SEND)
M Solomons (Safeguarding and disadvantaged pupils)
C Burden
S Neagus
AJ Cole (Disadvantaged pupils and careers education)
RD Galvin
E Hamilton (Appointed 17 September 2019)

Senior management team

- Principal/Headmaster	M A Skelly
- Deputy Headmaster	W Williams
- Second Deputy Head	K Mumford
- Assistant Head	Dr A Machacek
- Assistant Head	M Manning
- Director of Resources	D Partridge (resigned 31/03/2020)

Company secretary

F Colwell

Company registration number

07347930 (England and Wales)

Registered office

Kenilworth Gardens
Westcliff-on-Sea
Essex
SS0 0BP

Independent auditor

Rickard Luckin Limited
Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Board of Governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Westcliff High School for Boys (WHSB) is a selective Academy Grammar School located in Southend-on-Sea, Essex. The School has been designated Outstanding by OFSTED and currently has 897 boys aged 11-16 and 368 students in the mixed Sixth Form.

Structure, governance and management

Constitution

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

The Governors are the Trustees of Westcliff High School for Boys Limited and are also the Directors of the charitable company for the purposes of company law. Details of the Governors 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.

Governors' indemnities

The Academy through its Articles has indemnified its Trustees/Governors to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees/Governors.

Method of recruitment and appointment or election of Governors

Governors are recruited:

- a. By co-option. Efforts are made to identify and encourage service from amongst those who may wish to serve and efforts are made to ensure that there is a diverse mix and also to seek to have a range of skill sets (including those who have professional skills which may be of particular advantage to the school);
- b. By appointment of the Members of the Academy Trust;
- c. By direct election from amongst the parent body;
- d. By direct election from amongst the staff (teaching and support staff)

Policies and procedures adopted for the induction and training of Governors

On appointment all Governors meet with the Headmaster to discuss the role. As required thereafter Governors are encouraged to avail themselves of training. New Governors are provided with instruction manuals by the Clerk to the Governing Body. All Governors have access to training provided by the Local Authority and CeFM.

Organisational structure

The Full Board of Governors has four scheduled meetings each year. Those meetings regularly receive and discuss detailed papers prepared by the Headmaster. In addition there are four committees of the Board of Governors, namely Personnel, Finance, Administration & Property, Performance Scrutiny, and Teaching Quality & Pastoral Care. Minutes of Committee meetings are presented to the subsequent meeting of the Full Board of Governors and the Chairman and Headmaster/Deputy Headmasters/Director of Resources & Support Services are available to answer questions. All minutes and related documents are posted on the Governors' ePortal which can be accessed by all members of the Board of Governors.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of key management personnel is set in accordance with the School's Pay Policy. In summary, salaries are set with regard to, amongst other factors, level of responsibility, experience, and market conditions. Trustees who are not part of the School's Senior Team or Staff Governors do not receive any remuneration.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

-

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

4,468,777

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

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

-

Related parties and other connected charities and organisations

The Governors consider that the Academy has the following relevant connected organisations and related party relationships:

- WHSB Uniforms Ltd, a subsidiary company, which runs the uniform shop. This was brought into the main WHSB account during April to August 2020 and will continue to trade via the WHSB Main account from September 2020.

- Paul Robinson solicitors, which provides legal services to the Academy. F Colwell is a partner of this firm. Further details are given in note 24.

Objectives and activities

Objects and aims

The principle objective and aim of the Academy is to function successfully as a State-funded selective Grammar School. The Academy endeavours to pursue an ethos and identity as articulated in the School's Learner Profile encouraging both academic study and personal development of its pupils. Promoting community and the moral dimension in education are central to the Academy's activity.

Objectives, strategies and activities

There is an emphasis on encouraging pupils not only to acquire qualifications, but to develop as well a respect for scholarship and learning. There is a concern to transmit an understanding of the breadth of human achievement and to encourage pupils to think critically, to respect evidence, to distinguish between opinions and prejudices and to make balanced judgments of their own. In addition, the School is clear on the importance of inculcating personal values such as integrity, self-discipline, initiative, reliability and punctuality and of refining pupils' moral vocabularies and sensibilities.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

The above described objectives, aims, strategies and activities are self-evidently for the benefit of the public in so far as they provide a broad but effective formal education for young people whilst also encouraging them to participate in and achieve to their best ability in other sporting and cultural activities. In addition, on many and various occasions throughout the year members of the public are welcome (subject to COVID-19 regulations) to attend events such as plays, concerts and lectures.

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

The Academy has enjoyed, for many years, a considerable academic record and results in public examinations in recent years have been impressive.

Key performance indicators

In 2020 80% of subject entries at GCSE were graded 7-9 and in the same year the A*/A/B percentage at Advanced Level was 86%.

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The Governors are pleased to record that the Academy's financial status remains secure. Total income for the year was £6,591,779 (2019 - £7,407,985) and expenditure for the purposes of the Academy totalled £6,856,553 (2019 - £6,596,980). Total funds carried forward at 31 August 2020 were £22,303,198 (2019 - £22,755,972) which is split between an Unrestricted Fund of £861,659 (2019 - £877,877), a Restricted General Fund of £716,345 (2019 - £417,311), a Restricted Fixed Asset Fund of £22,698,194 (2019 - £23,117,784) and a Restricted Pension Fund in deficit to the amount of £1,973,000 (2019 - £1,657,000).

Reserves policy

The Governors seek to build and maintain a reserve from income sufficient to provide for unforeseen adverse developments in planned expenditure and also to allow over the medium and longer term development of the buildings and facilities of the Academy.

It is considered that a minimum of one months' revenue expenditure is an appropriate general reserve (approximately £500,000) but that up to two months' revenue expenditure (£1,000,000) is optimal to allow for unforeseen circumstances.

At the end of the year the academy held £1,578,004 in general reserves. This is higher than the normal range as reserves have been built-up to allow for forthcoming capital projects the Academy has planned which are within the 5 year financial forecast.

The reserves policy is reviewed bi-annually during the budget setting process and the closure of accounts, unless additional review is required during the year.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

Funds are held on deposit where appropriate to ensure any balances attract interest, with due regard given to the security of the deposit.

Principal risks and uncertainties

The principal risks relating to the Academy can be categorised as Academic, Financial and Pastoral. Academic risk involves the possible impact on the School of decline in academic standards or results. The financial risk is that School funding becomes inadequate to support the activities of the Academy. Pastoral risk includes health and safety and pupil matters that would impact the School activities such as accidents, or incidents. The risks are identified and monitored by the Senior Team, the Full Governing Body and the appropriate sub-committee.

Financial and risk management objectives and policies

The Governors seek to apply the Academy's financial resources such that it is able to pay its debts as and when they fall due and otherwise prudently to husband its revenue such as over time to build sufficient reserves as to permit development and improvement of buildings and facilities.

Fundraising

The Academy receives the majority of its funding from the Education & Skills Funding Agency but also approaches current parents and alumni of the Academy for financial support. Sponsorship from commercial organisations is sought for specific purposes, and income is raised through lettings of Academy's premises. In addition, the School's Parents' Association fundraises for the benefit of the Academy. The Academy does not work with any commercial participators or professional fundraisers.

Donations received are recorded along with the purpose of the donation (if this is restricted) and regular monitoring takes place by the Finance, Administration and Property Committee.

Fundraising efforts are conducted with due recognition of the need to protect members of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate. Any complaints are dealt with under the Academy's Complaints & Complaints Procedure.

Plans for future periods

The Academy is seeking to undertake a programme of capital improvements. Presently, the Academy is seeking to secure the additional funding necessary to complete these essential projects connected with an aging building but bidding for funds through the CIF process. These include:

- i. the replacement of a 1920's toilet block, suffering drainage & ventilation problems and no longer seen as fit for purpose.
- ii. the replacement of the Academy's heating system, parts of which date from the 1950's. The system is experiencing regular failures, leaks etc. necessitating running repairs. The Academy is concerned that the failure of the heating system could impact on business continuity and has made this case to the ESFA.
- iii. the replacement of the flooring in the main hall.
- iv. work to address damp issues in parts of the basement level, which the Academy understands are associated with drainage problems connected with the toilet block (i) and leaks in the heating system (ii).

Accordingly, the Academy intends to continue to invest resources and seek necessary additional funding to improve and modernise its facilities.

Additionally, this year, the Academy has faced the challenges of the COVID-19 epidemic. This will continue to require close attention and where necessary, application of resources, towards safeguarding the delivery of the Academy's objectives and activities.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

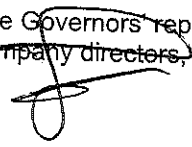
Auditor

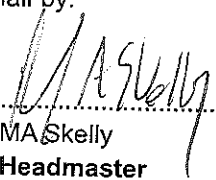
In so far as the Governors are aware:

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

A resolution proposing that Rickard Luckin Limited be reappointed as auditor of the charitable company will be put to the members.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 21.12.20 and signed on its behalf by:


.....
JH Gershinson
Chair of Governors


.....
MA Skelly
Headmaster

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Westcliff High School For Boys Limited has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Governors has delegated the day-to-day responsibility to the Headmaster, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Westcliff High School For Boys Limited and the Secretary of State for Education. He is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of Governors has formally met 4 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
JH Gershinson (Chair of Governors)	4	4
MA Skelly (Headmaster)	4	4
F Colwell (Vice Chair of Governors; Healthy Schools Governor)	3	4
C Casey	4	4
M DeGrove (SEND)	4	4
D Norman (SEND)	2	4
M Solomons (Safeguarding and disadvantaged pupils)	4	4
C Burden	4	4
S Neagus	3	4
AJ Cole (Disadvantaged pupils and careers education)	4	4
RD Galvin	4	4
E Hamilton (Appointed 17 September 2019)	4	4

The Finance, Administration & Property Committee is a sub-committee of the main Board of Governors. Its purpose is to ensure the sound management of the Academy's finances and resources and to make appropriate recommendations on the Academy's financial practices and procedures to the Board of Governors on a regular basis.

In addition to this committee, further committees of the Board of Governors are the Personnel Committee, Teaching Quality & Pastoral Committee, and Performance Scrutiny Committee.

Attendance at Finance, Administration & Property meetings in the year was as follows:

Governors	Meetings attended	Out of possible
JH Gershinson (Chair of Governors)	4	4
MA Skelly (Headmaster)	4	4
C Casey	4	4
M DeGrove (SEND)	4	4
RD Galvin	3	4
E Hamilton (Appointed 17 September 2019)	4	4

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Review of value for money

As accounting officer the Headmaster 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Continuing to provide excellent education as evidenced by pupil outcomes and engagement with the wider community;
- Improving facilities for learning by investment in property and digital strategy;
- Following robust financial procedures such as competitive tendering and budgeting;
- Leadership and collaboration including ensuring that the Board of Governors has a range of useful experience and using purchasing consortia to ensure that best value is achieved.

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 the Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

Capacity to handle risk

The Board of Governors 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 Governors 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 period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

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 Governors;
- regular reviews by the Finance, Administration and Property 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and appointed Griffin Chapman to carry out a programme of internal checks during the 2019/20 financial year.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

- testing of payroll systems;
- testing of purchase systems;
- testing of income.

On a termly basis, the Internal Reviewer reports to the Board of Governors, through the Finance, Administration & Property Committee on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

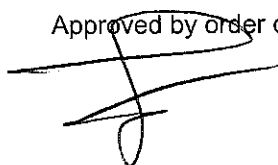
Review of effectiveness

As accounting officer the Headmaster has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

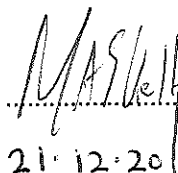
- the work of Griffin Chapman;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

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



JH Gershinson
Chair of Governors


21.12.20

MA Skelly
Headmaster

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

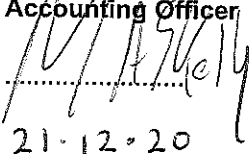
FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Westcliff High School for Boys Limited, I have considered my responsibility to notify the academy trust Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

MA Skelly
Accounting Officer


21.12.20

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who act as trustees for Westcliff High School for Boys Limited and are also the directors of Westcliff High School for Boys Limited for the purposes of company law) are responsible for preparing the Governors' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Governors are required to:

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

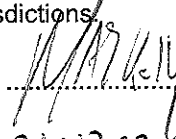
The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with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

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

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

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


JH Gershinson
Chair of Governors


21.12.20
MA Skelly
Headmaster

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated strategic report.

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

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

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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



Kate Bell (Senior Statutory Auditor)
for and on behalf of Rickard Luckin Limited

23rd Dec 2020

Chartered Accountants
Statutory Auditor

Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 13 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Westcliff High School for Boys Limited during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Westcliff High School for Boys Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Westcliff High School for Boys Limited 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 Westcliff High School for Boys Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Westcliff High School for Boys Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Westcliff High School for Boys Limited's funding agreement with the Secretary of State for Education dated 31 August 2010 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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:

- Reviewing the minutes of the meetings of the Governing Body and key sub committees;
- Evaluating internal control and review procedures, and reviewing findings of internal audit reviews;
- Reviewing action taken as a result of recommendations from internal audit procedures, external audit, and ESFA updates;
- Evaluating and documenting internal controls and testing their application by walkthrough;
- Testing a sample of payments to ensure that they have been authorised in accordance with the Academy's financial procedures and the Academies Financial Handbook.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

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

Rickard Luckin c/o

Reporting Accountant

Rickard Luckin Limited
Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

Dated: *22nd December 2020*

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and capital grants	3	95,972	29,404	26,112	151,488
Charitable activities:					
- Funding for educational operations	4	76,354	6,014,407	-	6,090,761
Other trading activities	5	345,694	-	-	345,694
Investments	6	3,836	-	-	3,836
Total		<u>521,856</u>	<u>6,043,811</u>	<u>26,112</u>	<u>6,591,779</u>
Expenditure on:					
Raising funds	7	315,949	31,456	-	347,405
Charitable activities:					
- Educational operations	8	124,618	5,841,321	543,209	6,509,148
Total	7	<u>440,567</u>	<u>5,872,777</u>	<u>543,209</u>	<u>6,856,553</u>
Net income/(expenditure)		81,289	171,034	(517,097)	(264,774)
Transfers between funds	18	(97,507)	-	97,507	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(188,000)	-	(188,000)
Net movement in funds		<u>(16,218)</u>	<u>(16,966)</u>	<u>(419,590)</u>	<u>(452,774)</u>
Reconciliation of funds					
Total funds brought forward		877,877	(1,239,689)	23,117,784	22,755,972
Total funds carried forward		<u>861,659</u>	<u>(1,256,655)</u>	<u>22,698,194</u>	<u>22,303,198</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted	Restricted funds:		Total
		funds £	General £	Fixed asset £	2019 £
Income and endowments from:					
Donations and capital grants	3	36,835	66,800	1,229,116	1,332,751
Charitable activities:					
- Funding for educational operations	4	138,873	5,501,511	-	5,640,384
Other trading activities	5	427,176	-	-	427,176
Investments	6	7,674	-	-	7,674
Total		<u>610,558</u>	<u>5,568,311</u>	<u>1,229,116</u>	<u>7,407,985</u>
Expenditure on:					
Raising funds	7	346,376	1,180	-	347,556
Charitable activities:					
- Educational operations	8	145,959	5,564,681	538,784	6,249,424
Total	7	<u>492,335</u>	<u>5,565,861</u>	<u>538,784</u>	<u>6,596,980</u>
Net income		118,223	2,450	690,332	811,005
Transfers between funds	18	-	(104,085)	104,085	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(231,000)	-	(231,000)
Net movement in funds		<u>118,223</u>	<u>(332,635)</u>	<u>794,417</u>	<u>580,005</u>
Reconciliation of funds					
Total funds brought forward		759,654	(907,054)	22,323,367	22,175,967
Total funds carried forward		<u>877,877</u>	<u>(1,239,689)</u>	<u>23,117,784</u>	<u>22,755,972</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13	22,698,194		23,117,784	
Investments	15	50		50	
		<u>22,698,244</u>		<u>23,117,834</u>	
Current assets					
Stocks	14	59,990		9,531	
Debtors	16	252,942		272,854	
Cash at bank and in hand		1,582,476		1,349,239	
		<u>1,895,408</u>		<u>1,631,624</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(317,454)		(336,486)	
Net current assets		<u>1,577,954</u>		<u>1,295,138</u>	
Net assets excluding pension liability		<u>24,276,198</u>		<u>24,412,972</u>	
Defined benefit pension scheme liability	20	(1,973,000)		(1,657,000)	
Total net assets		<u><u>22,303,198</u></u>		<u><u>22,755,972</u></u>	
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds		22,698,194		23,117,784	
- Restricted income funds		716,345		417,311	
- Pension reserve		(1,973,000)		(1,657,000)	
Total restricted funds		<u>21,441,539</u>		<u>21,878,095</u>	
Unrestricted income funds	18	<u>861,659</u>		<u>877,877</u>	
Total funds		<u><u>22,303,198</u></u>		<u><u>22,755,972</u></u>	

The accounts on pages 17 to 41 were approved by the Governors and authorised for issue on 21.12.20 and are signed on their behalf by:

JH Gershinson
Chair of Governors

MA Skelly
Headmaster

Company Number 07347930

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		326,908		84,957
Cash flows from investing activities					
Dividends, interest and rents from investments		3,836		7,674	
Capital grants from DfE Group		26,112		116,901	
Purchase of tangible fixed assets		(123,619)		(220,986)	
Net cash used in investing activities			(93,671)		(96,411)
Net increase/(decrease) in cash and cash equivalents in the reporting period			233,237		(11,454)
Cash and cash equivalents at beginning of the year			1,349,239		1,360,693
Cash and cash equivalents at end of the year			1,582,476		1,349,239

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Westcliff High School for Boys Limited is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

The academy trust has benefited from the ESFA's Priority Schools Building Programme to refurbish the Technology building and extend the Science block. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the academy trust controls (through ownership) the site where the development is occurring. The expenditure is capitalised in assets under construction until the project is complete. The income has been recognised as donated assets under Donations.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	2% straight line basis (land is not depreciated)
Computer equipment	33% straight line basis
Furniture and equipment	20% straight line basis
Motor vehicles	20% straight line basis

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.6 Liabilities

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

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Investments

The Academy's shareholding in the wholly owned subsidiary, WHSB Uniforms Ltd, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.9 Financial instruments

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Financial assets

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

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

Financial liabilities

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

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

1.10 Stock

Stock of uniforms and stationery is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.11 Taxation

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

1.12 Pensions benefits

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

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

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.13 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The only case whereby this arises is in respect of the depreciation policies relating to the fixed assets held by the academy, which are based on the estimated useful lives of the assets.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donated fixed assets	-	-	-	1,112,215
Capital grants	-	26,112	26,112	116,901
Other donations	95,972	29,404	125,376	103,635
	<u>95,972</u>	<u>55,516</u>	<u>151,488</u>	<u>1,332,751</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,693,049	5,693,049	5,448,198
Other DfE group grants	-	321,358	321,358	53,313
	-	6,014,407	6,014,407	5,501,511
Other funding				
Other incoming resources	76,354	-	76,354	138,873
Total funding	76,354	6,014,407	6,090,761	5,640,384

The Academy has been eligible to claim additional funding in year from government support schemes in response to the Coronavirus outbreak. The funding received totals £1,324 and covers additional costs incurred in relation to opening the Academy during the half term break.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	17,911	-	17,911	37,207
Catering income	278,176	-	278,176	389,969
Uniform sales	49,607	-	49,607	-
	345,694	-	345,694	427,176

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	3,836	-	3,836	7,674

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Expenditure on raising funds					
- Direct costs	-	-	347,405	347,405	347,556
Academy's educational operations					
- Direct costs	4,384,760	-	398,064	4,782,824	4,484,213
- Allocated support costs	741,921	843,210	141,193	1,726,324	1,765,211
	<u>5,126,681</u>	<u>843,210</u>	<u>886,662</u>	<u>6,856,553</u>	<u>6,596,980</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	12,275	12,025
- Other services	2,905	1,745
Depreciation of tangible fixed assets	543,209	538,784
Net interest on defined benefit pension liability	29,000	32,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	124,618	4,658,206	4,782,824	4,484,213
Support costs				
Educational operations	-	1,726,324	1,726,324	1,765,211
	<u>124,618</u>	<u>6,384,530</u>	<u>6,509,148</u>	<u>6,249,424</u>

Analysis of costs

	2020 £	2019 £
Direct costs		
Teaching and educational support staff costs	4,361,004	3,947,621
Staff development	23,756	23,162
Educational supplies and services	214,233	273,508
Examination fees	114,593	126,666
Educational consultancy	35,008	37,475
Other direct costs	34,230	75,781
	<u>4,782,824</u>	<u>4,484,213</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8	Charitable activities	(Continued)	
	Support costs		
	Support staff costs	741,921	719,898
	Depreciation	543,209	538,784
	Recruitment and support	9,006	12,107
	Maintenance of premises and equipment	103,352	116,682
	Cleaning	28,827	24,490
	Energy costs	91,803	96,053
	Rent, rates and other occupancy costs	42,948	62,522
	Insurance	27,328	28,758
	Security and transport	5,838	7,387
	Finance costs	29,000	32,000
	Other support costs	71,513	96,590
	Governance costs	31,579	29,940
		<u>1,726,324</u>	<u>1,765,211</u>
9	Governance costs		
	All from restricted funds:	Total	Total
		2020	2019
		£	£
	Amounts included in support costs		
	Legal costs	19,304	17,915
	Auditor's remuneration		
	- Audit of financial statements	12,275	12,025
		<u>31,579</u>	<u>29,940</u>
10	Insurance for Governors and officers		

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	3,815,034	3,606,535
Social security costs	365,342	346,738
Pension costs	899,628	672,793
Staff costs - employees	5,080,004	4,626,066
Agency staff costs	-	11,662
	5,080,004	4,637,728
Staff development and other staff costs	46,677	52,953
Total staff expenditure	5,126,681	4,690,681

Staff numbers

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

	2020 Number	2019 Number
Teachers	84	85
Administration and support	60	62
	144	147

Higher paid staff

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

	2020 Number	2019 Number
£110,001 - £115,000	1	-
£100,001 - £110,000	-	1
£70,001 - £75,000	1	-
£65,001 - £70,000	2	-
£60,001 - £65,000	1	2

Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £652,072 (2019: £589,996)

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Trustees' and Staff Governors' remuneration and expenses

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

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

M A Skelly (Headmaster):

Remuneration: £110,000 - £115,000 (2019 - £105,000 - £110,000)

Employer's pension contributions: £25,000 - £30,000 (2019 - £15,000 - £20,000)

C Burden (Staff Governor):

Remuneration: £15,000 - £20,000 (2019 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2019: £0 - £5,000)

S Neagus (Staff Governor)

Remuneration: £35,000 - £40,000 (2019 - £30,000 - £35,000)

Employer's pension contributions: £5,000 - £10,000 (2019 - £5,000 - £10,000)

No Trustees were repaid expenses during the year (2019 - £nil).

13 Tangible fixed assets

	Land and buildings	Computer equipment	Furniture and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	25,569,244	1,012,260	665,977	50,582	27,298,063
Additions	65,860	54,879	2,880	-	123,619
At 31 August 2020	25,635,104	1,067,139	668,857	50,582	27,421,682
Depreciation					
At 1 September 2019	2,722,754	937,635	494,787	25,103	4,180,279
Charge for the year	395,086	70,624	67,383	10,116	543,209
At 31 August 2020	3,117,840	1,008,259	562,170	35,219	4,723,488
Net book value					
At 31 August 2020	22,517,264	58,880	106,687	15,363	22,698,194
At 31 August 2019	22,846,490	74,625	171,190	25,479	23,117,784

Included within the value of Freehold Land and Buildings is an amount of £5,880,810 relating to non-depreciable land.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14 Stocks

	2020 £	2019 £
School uniform	48,951	-
Books and stationery	11,039	9,531
	<u>59,990</u>	<u>9,531</u>

15 Fixed asset investments

	WHSB Uniforms Limited £
Market value	
At 1 September 2019 and at 31 August 2020	<u>50</u>
Historical cost:	
At 31 August 2020	<u>50</u>
At 31 August 2019	<u>50</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
WHSB Uniforms Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves £	Profit/(loss) for the year £
	Principal activities		
WHSB Uniforms Limited	School uniform shop	<u>50</u>	<u>16,043</u>

From 1 April 2020 the uniform shop trade was transferred to the Academy. WHSB Uniforms Ltd is no longer trading with effect from this date.

The accounts present information about the academy trust as an individual undertaking and not as a group.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Debtors

	2020 £	2019 £
Trade debtors	15,505	33,833
Amounts owed by group undertakings	45,048	85,525
VAT recoverable	29,052	22,795
Other debtors	-	19
Prepayments and accrued income	163,337	130,682
	<u>252,942</u>	<u>272,854</u>

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	113,237	110,984
Other taxation and social security	86,628	89,389
Other creditors	13,406	4,291
Accruals and deferred income	104,183	131,822
	<u>317,454</u>	<u>336,486</u>

18 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	417,311	5,693,049	(5,394,015)	-	716,345
Other DfE / ESFA grants	-	321,358	(321,358)	-	-
Other restricted funds	-	29,404	(29,404)	-	-
Pension reserve	(1,657,000)	-	(128,000)	(188,000)	(1,973,000)
	<u>(1,239,689)</u>	<u>6,043,811</u>	<u>(5,872,777)</u>	<u>(188,000)</u>	<u>(1,256,655)</u>
Restricted fixed asset funds					
DfE group capital grants	23,117,784	26,112	(543,209)	97,507	22,698,194
	<u>23,117,784</u>	<u>26,112</u>	<u>(543,209)</u>	<u>97,507</u>	<u>22,698,194</u>
Total restricted funds	<u>21,878,095</u>	<u>6,069,923</u>	<u>(6,415,986)</u>	<u>(90,493)</u>	<u>21,441,539</u>
Unrestricted funds					
General funds	877,877	521,856	(440,567)	(97,507)	861,659
	<u>877,877</u>	<u>521,856</u>	<u>(440,567)</u>	<u>(97,507)</u>	<u>861,659</u>
Total funds	<u>22,755,972</u>	<u>6,591,779</u>	<u>(6,856,553)</u>	<u>(188,000)</u>	<u>22,303,198</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

(i) Restricted General Funds relate to the General Annual Grant which must be used for the normal running costs of the Academy.

(ii) The other ESFA income represents amounts funded through the ESFA that do not form part of the GAG. This includes the insurance grant.

(iii) The other government income represents amounts funded via other government bodies, namely the Local Authority. This income includes SEN funding.

(iv) Other Restricted Funds relate to monies received from pupils for specific costs such as exam re-sit fees.

(v) Restricted Fixed Asset Funds relate to the assets purchased for use in achieving the objects of the Academy.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward.

Funds were transferred from the unrestricted funds during the year for purchases of fixed assets for school use.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	383,946	5,448,198	(5,316,748)	(98,085)	417,311
Other DfE / ESFA grants	-	53,313	(53,313)	-	-
Other restricted funds	-	66,800	(60,800)	(6,000)	-
Pension reserve	(1,291,000)	-	(135,000)	(231,000)	(1,657,000)
	<u>(907,054)</u>	<u>5,568,311</u>	<u>(5,565,861)</u>	<u>(335,085)</u>	<u>(1,239,689)</u>
Restricted fixed asset funds					
DfE group capital grants	21,941,272	116,901	(508,898)	104,085	21,653,360
Assets constructed under PSBP	382,095	1,112,215	(29,886)	-	1,464,424
	<u>22,323,367</u>	<u>1,229,116</u>	<u>(538,784)</u>	<u>104,085</u>	<u>23,117,784</u>
Total restricted funds	<u>21,416,313</u>	<u>6,797,427</u>	<u>(6,104,645)</u>	<u>(231,000)</u>	<u>21,878,095</u>
Unrestricted funds					
General funds	<u>759,654</u>	<u>610,558</u>	<u>(492,335)</u>	<u>-</u>	<u>877,877</u>
Total funds	<u>22,175,967</u>	<u>7,407,985</u>	<u>(6,596,980)</u>	<u>(231,000)</u>	<u>22,755,972</u>

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	22,698,194	22,698,194
Fixed asset investments	50	-	-	50
Current assets	861,609	1,033,799	-	1,895,408
Creditors falling due within one year	-	(317,454)	-	(317,454)
Defined benefit pension liability	-	(1,973,000)	-	(1,973,000)
Total net assets	<u>861,659</u>	<u>(1,256,655)</u>	<u>22,698,194</u>	<u>22,303,198</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	23,117,784	23,117,784
Fixed asset investments	50	-	-	50
Current assets	877,827	753,797	-	1,631,624
Creditors falling due within one year	-	(336,486)	-	(336,486)
Defined benefit pension liability	-	(1,657,000)	-	(1,657,000)
Total net assets	877,877	(1,239,689)	23,117,784	22,755,972

20 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

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.

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation which is based on April 2016 data, has determined that the employer contribution rate from 1 September 2019 will be 23.68%.

The employer's pension costs paid to the TPS in the period amounted to £620,900 (2019: £436,195).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25.0% for employers and 5.5-12.5% for employees.

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

Total contributions made

	2020 £	2019 £
Employer's contributions	143,000	135,000
Employees' contributions	36,000	35,000
Total contributions	179,000	170,000

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.2	3.7
Rate of increase for pensions in payment/inflation	2.2	2.2
Discount rate for scheme liabilities	1.6	1.9
Inflation assumption (CPI)	2.2	2.2
RPI increases (%)	3.0	3.2

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

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

	2020 Years	2019 Years
Retiring today		
- Males	21.8	21.30
- Females	23.8	23.60
Retiring in 20 years		
- Males	23.2	23.00
- Females	25.2	25.40

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+0.1%	0.0%	-0.1%
Adjustment to discount rate	£	£	£
Present value of total obligation	3,447,000	3,553,000	3,621,000
Projected service cost	355,000	365,000	376,000

	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase	£	£	£
Present value of total obligation	3,543,000	3,553,000	3,523,000
Projected service cost	365,000	365,000	365,000

	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation	£	£	£
Present value of total obligation	3,611,000	3,553,000	3,457,000
Projected service cost	375,000	365,000	355,000

	+1 Year	None	-1 Year
Adjustment to life expectancy assumptions	£	£	£
Present value of total obligation	3,664,000	3,553,000	3,406,000
Projected service cost	378,000	365,000	352,000

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2020 Fair value £	2019 Fair value £
Equities	967,000	863,000
Gilts	67,000	75,000
Other bonds	87,000	77,000
Cash	42,000	40,000
Property	121,000	110,000
Other assets	276,000	204,000
Total market value of assets	<u>1,560,000</u>	<u>1,369,000</u>

The actual return on scheme assets was £38,000 (2019: £100,000).

Amount recognised in the Statement of Financial Activities	2020 £	2019 £
Current service cost	242,000	208,000
Past service cost	-	30,000
Interest cost	29,000	32,000
Total operating charge	<u>271,000</u>	<u>270,000</u>

Changes in the present value of defined benefit obligations	2020 £
At 1 September 2019	3,026,000
Current service cost	242,000
Interest cost	56,000
Employee contributions	36,000
Actuarial loss	210,000
Benefits paid	(37,000)
At 31 August 2020	<u>3,533,000</u>

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2020 £
At 1 September 2019	1,369,000
Interest income	27,000
Actuarial gain	22,000
Employer contributions	143,000
Employee contributions	36,000
Benefits paid	(37,000)
At 31 August 2020	1,560,000

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(264,774)	811,005
Adjusted for:		
Capital grants from DfE and other capital income	(26,112)	(1,229,116)
Investment income receivable	(3,836)	(7,674)
Defined benefit pension costs less contributions payable	99,000	103,000
Defined benefit pension scheme finance cost	29,000	32,000
Depreciation of tangible fixed assets	543,209	538,784
(Increase) in stocks	(50,459)	(3,251)
Decrease/(increase) in debtors	19,912	(49,941)
(Decrease) in creditors	(19,032)	(109,850)
Net cash provided by operating activities	326,908	84,957

22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	1,349,239	233,237	1,582,476

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	392	1,057
Amounts due in two and five years	294	686
	<u>686</u>	<u>1,743</u>

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

WHSB Uniforms Limited

(subsidiary company)

Donations declared during the year amounted to £16,043 (2019 - £870). Stock of £50,084 was transferred at cost from WHSB Uniforms Ltd to the Academy. At the balance sheet date the amount due from WHSB Uniforms Limited was £44,998 (2019 - £85,475).

Paul Robinson Solicitors

(Partner Fiona Colwell is a Governor of the Academy)

Paul Robinson Solicitors have carried out some work for the Academy during the year, however this had not been invoiced before the year end. The Board are satisfied that the relationship is conducted in accordance with the requirements of the Academies Financial Handbook.

Paul Robinson Solicitors has provided sponsorship to the Academy totalling £6,000 (2019: £nil) in relation to Centenary Sponsorship. A total of £3,000 was received during the year, and £3,000 was owed to the Academy at the year end.

Trustees

The following donations were received into the pupil fund from Trustees during the year:

J Gershinson £3,256

25 Members' liability

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

WESTCLIFF HIGH SCHOOL FOR BOYS LIMITED

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

26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy trust received £13,081 and disbursed £12,995 from the fund.

