

Company Registration Number: 07451660 (England & Wales)

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Paul Martin David Bower Mark Hewett Richard Lloyd Timothy French
<b>Trustees</b>	Timothy French (resigned 8 December 2020) Elizabeth Bone, Headteacher and Accounting Officer Jeremy Dahdi (resigned 13 March 2020) Gerard Garcia (resigned 23 October 2020) Carmal Pestell Antonia Rubin, Chair of Trustees Julia Wilson (resigned 10 December 2019) Rebecca Blackmore (resigned 20 November 2020) Steven Doyle Nick Hurman (appointed 10 December 2019, resigned 21 May 2020) Clive Bygrave (appointed 10 December 2019, resigned 27 October 2020) James Hill Elizabeth Kinnersley (appointed 6 May 2020) Jane Gould (appointed 8 December 2020) Emily Barnett (appointed 15 September 2020) Radhika Bajaj (appointed 12 January 2021) Yasmin Ullah (appointed 12 January 2021) Nicholas Ulycz (appointed 12 January 2021) Linda Stevens (appointed 12 January 2021)
<b>Company registered number</b>	07451660
<b>Company name</b>	Weald of Kent Grammar School Academy Trust
<b>Principal and registered office</b>	Tudeley Lane Tonbridge Kent TN9 2JP
<b>Senior management team</b>	Elizabeth Bone, Headteacher and Accounting Officer Sophie Clark, Deputy Headteacher Veronique Ricks, Deputy Headteacher Ken MacSporran, Senior Assistant Headteacher Sarah Craig, Assistant Headteacher Chris Love, Assistant Headteacher Gareth Dorrian, Assistant Headteacher (from 2 December 2019) Aimee Beasley, Assistant Headteacher (from 1 January 2020) Jo Barker-Platt, Chief Operations Officer (from 1 November 2019) Kristian Fidock, Associate Assistant Headteacher

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
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**Independent auditors**      MHA MacIntyre Hudson  
Statutory Auditors  
Victoria Court  
17-21 Ashford Road  
Maidstone  
Kent  
ME14 5DA

**Bankers**                      Lloyds Bank  
PO Box 1000  
BX1 1LT

**Solicitors**                    KCC Legal Services  
County Hall  
Maidstone  
Kent  
ME14 1XQ

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

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The Trustees present their annual report together with the financial statements 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.

The Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Kent and the fringes of neighbouring counties of East Sussex, West Sussex and the London Borough of Bromley. The Academy operates over two sites; the main site being located in Tonbridge, and a smaller, but growing, site in Sevenoaks which opened in September 2017 with Year 7 students.

The Academy has a pupil capacity of 1,860, with a roll of 1,669 per the school census in May 2020. There are 450 places at the Sevenoaks Annexe, which will be filled over the next 3 years as pupils progress to Years 11, 12 and 13.

**Structure, governance and management**

**a. 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 Trustees of Weald of Kent Grammar School Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Weald of Kent Grammar School.

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

**b. 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.

**c. Trustees' indemnities**

Subject to the provisions of the Companies Act 2006, every Trustee and Officer of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to each individual by the court from liability for negligence, default, breach of trust or breach of duty in relation to the Academy Trust.

The Academy has opted into the Department of 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 from the overall cost of the RPA scheme.

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

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

The number of Trustees shall be not less than three and is not subject to any maximum. The term of office of any Trustee shall be four years. Future Trustees shall be appointed or elected in accordance with the articles of association of the Trust. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

The Trust's Members may appoint up to fifteen Trustees and make the necessary arrangements for the appointment of Trustees. Parent Trustees are elected by Parents of registered students at Weald of Kent Grammar School (in accordance with article 53; the full articles of association can be found on the Trust website). The only member of staff that will be a Trustee is the Headteacher due to her role. Full details of Trustee appointments can be found in the Academy's Articles of Association.

**e. Policies adopted for the induction and training of Trustees**

An induction programme is available to all new Trustees, this includes a meeting with the Headteacher and Chair of Trustees, a tour of the School sites and receiving a variety of Academy documents including the Trustee Induction Handbook which is reviewed annually. Trustees are disclosure checked and registered with KCC Governor Services immediately to receive the relevant information and welcome packs. They are also provided with an annual training programme for both internal workshops/training and external specific Trustee courses. During the year, the Trust signed up to Hays Education Training Platform. In addition, to the Trust Board meetings, two training and planning meetings are arranged each year.

**f. Organisational structure**

The structure of the Academy consists of four levels: Members, Trustees, Senior Leadership Group and the Management Team. The aim of this structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members' key responsibilities are to hold the whole Trust Board to account for the successful governance of the Trust, to appoint certain categories of Trustee to the Board, to amend the articles of association of the Trust and to appoint/remove the Trust's auditors.

The Trustees are responsible for setting strategy and adopting a school evaluation and development plan. They monitor the performance of the Academy with the use of budgets and supported by links to the Senior Leadership Group through the four Trustee Groups.

The Trust Board meets in full three times a year (plus two planning/training sessions). Unfortunately, the training session had to be cancelled this year due to COVID 19 lockdown restrictions.

Four Trustee Groups meet four times a year to monitor specific areas which mirror the operational imperatives of Leadership & Management, Quality of Education, Quality of Care and Safeguarding.

The Leadership & Management Committee, which includes the Headteacher, Chair of Trustees, Chief Financial Officer and three other Trustees, focus on strategic direction. This Committee also covers the responsibilities of the Finance, Audit and Premises Committee and the Pay Committee.

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

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**Structure, governance and management (continued)**

Decisions are subject to scrutiny by the Trust Board; however, some decisions are delegated down to the Trustee Groups. These Groups are comprised of Trustees based on their individual skill sets. The underlying school strategy document drives the annual School Evaluation & Development Plan, which highlights areas of improvement for the academic year. These Groups work closely with the relevant staff to ensure objectives are being met and report back up to the Trust Board. All such Group meetings are minuted for overview by the full Trust Board.

The Senior Leadership Group comprises the Headteacher (Accounting Officer), two Deputy Headteachers, Senior Assistant Headteacher, three Assistant Headteachers, the Chief Operations Officer, the Communications Manager and the Associate Assistant Headteacher (data). These leaders control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them.

As a group, the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff to the agreed staffing structure. The appointment panels for posts in the Senior Leadership Group contain a Trustee wherever possible.

The Management Team comprises the Senior Leadership Group, Heads of Departments for each subject, with Assistant Heads of Department for larger subject areas, five Heads of Years and a Head of Sixth Form and two Lead Practitioners. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

Some spending control is devolved to members of the Management Team, with limits for when a Senior Leader must countersign.

The Academy Trust is an exceptional organisation, which allows all members of its community to experience academic excellence and achieve personal success. The leadership of the organisation is structured to support staff in the delivery of the key aspects of school life, quality of education, behaviour and attitudes and personal development. This results in every student experiencing high quality learning opportunities both within and outside the curriculum.

The Senior Leadership Group operates around four distinct strands, which although separate operate as a cohesive whole to ensure the effective leadership of the organisation. The four key areas are: Quality of Education, Quality of Care, Leadership and Management and Safeguarding.

Middle leaders are given the freedom to lead their areas as their professional judgment directs, whilst also being offered the support and in turn accountability to be able to be brave, act with integrity and be recognised for their work.

Teachers are leaders in their classrooms, and we believe in allowing them to use their knowledge and understanding of their specialist areas to deliver highly effective learning opportunities for the students in their care. With the guidance and support of Heads of Department and other middle or senior leaders, we seek to create a culture of open discussion around the quality of education and the delivery of a curriculum, which is broad, balanced and inspirational as well as meeting the requirements of the National Curriculum

Support staff colleagues are recognised equally as leaders in their field and we value the impact that they have on the educational opportunities for our students. As with other leaders in the school, they are offered the support and accountability to be able to drive forward in their respective areas.

We recognise that all that we do is centred on the students that we teach. Every action is taken with a view to improving that experience and allowing the young women, and men in the 6th form, to flourish and uncover their own academic excellence and personal success.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Structure, governance and management (continued)**

**g. Arrangements for setting pay and remuneration of key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and Senior Leadership Group, as disclosed on Page 1.

The Academy's leadership structure is reviewed annually and is designed to ensure the Academy has the expertise and the capacity to deliver the priorities identified in the School's Strategic Plan. Pay scales are set according to the responsibilities held and benchmarked against market value.

A robust Performance Related Pay Policy is in place to ensure parity across the organisation and appropriate reward and recognition to ensure retention of outstanding leaders.

The Policy and Pay Scales are reviewed annually and approved by the Leadership and Management Committee and also, in respect of the Headteacher, the Performance Appraisal Panel.

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	-

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	-
1%-50%	1
51%-99%	-
100%	-

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

Total cost of facility time	<b>13,034</b>
Total pay bill	<b>6,518,513</b>
Percentage of total pay bill spent on facility time	<b>0.2</b> %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Structure, governance and management (continued)**

**i. Related parties and other connected charities and organisations**

Weald of Kent Grammar School became the lead school in the Kaizen Teaching School Alliance (KTSA) on 1 September 2014. This partnership involves significant collaboration with a variety of local schools and other educational organisations on a number of issues and initiatives. Staff Development, Initial Teacher Training and supporting other schools in need are some of the key priorities. Separate Professional Indemnity Insurance is in place to protect each member school for their teaching school work.

Since April 2019 and the change in Education and Skills Funding Agency ('ESFA') policy, any goods or services offered by Trustees to the Academy are firstly checked to ensure they are at cost, then are notified to the ESFA prior to the transaction occurring. If there were to be any transaction greater than £20,000 the Trust would need to obtain ESFA approval prior to the transaction occurring. There were no such transactions during the year.

During the year the Weald of Kent Development Trust; a charity in which E Bone, A Rubin and T French are Trustees, agreed to donate the school £169,500 (2019: NIL) towards the development of the new science block at the Tonbridge Campus. The donation was received in the 2020/21 financial year and as such has been accrued in the 2020 accounts.

**OBJECTIVES AND ACTIVITIES**

**a. Objects and aims**

The principal object and activity of the charitable company is the operation of the Weald of Kent Grammar School to provide education for students of different abilities, who met the admission criteria for a Kent Grammar School, between the ages of 11 and 18.

Everything we do at Weald of Kent aims at developing a culture of learning underpinned by our values: Individuality, Integrity, Good Manners, Tolerance and Resilience as well as our mission statement: Academic Excellence, Personal Success.

By the time they leave Weald of Kent at the end of their secondary school life, we wish all our students to:

- Be happy, positive, responsible, ambitious and proactive
- Lead a good life
- Demonstrate resilience and emotional awareness
- Be compassionate and listen to others
- Value modern democracy
- Show great ability, knowledge and skills
- Endeavour to become a life-long learner with transferrable skills
- Respond to challenges
- Aim to do well
- Think hard
- Get ready for post 18 life in a global world

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

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**OBJECTIVES AND ACTIVITIES (continued)**

The main objectives of the Academy during the year ended 31 August 2020 are summarised below::

- To support every student to achieve academic excellence and personal success
- To ensure that every student enjoys and receives high quality education in terms of environment, resourcing, tuition and care
- To raise the standard of educational achievement of all students
- To promote a responsible attitude to the health and well-being of students
- To improve the effectiveness of the School by keeping the curriculum and organisational structure under constant review
- To continue working on 'closing the gap'
- To invest in staff and student development through new initiatives and opportunities
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To maintain close links with industry, commerce and local community
- To promote the British values of democracy, the role of law, individual liberty, mutual respect and tolerance for those of different faiths and beliefs
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness
- To assist all students when leaving the Sixth Form to maximise their post-school opportunities.

The short term focus for the school is the delivery of the curriculum to mitigate the impact of the COVID 19 shutdown on students, whilst working with a model that allows the seamless shift to online, distanced learning should the school be required to ask a group of students to isolate, or indeed should we re-enter a period of local or national shutdown. This preparation has been achieved through a well-planned and constantly reviewed Risk Assessment, enabling the school to operate in a way that mitigates as much as possible the risks of COVID 19 within the school setting. Curriculum planning was also reviewed to allow the flexibility to shift between in person and remote learning together with an investment in the IT infrastructure required to enable this to happen.

**b. Objectives, strategies and activities**

The Academy's main strategy is encompassed in its mission statement which is for all students to achieve 'Academic Excellence, Personal Success'.

Activities provided include;

- Tuition and learning opportunities for all students to attain the best possible academic qualifications
- A large variety of educational visits for all subjects; unfortunately many had to be deferred this year due to COVID-19
- A varied programme of sporting and after school enrichment activities for all students
- Work experience, work shadow days and a careers advisory service to help students move onto higher education, apprenticeships or employment
- Targeted support for students through specific projects such as PIXL and Pupil Premium funded projects

This year 79% of students secured places at higher education providers. Of these students, 50% transfer to high tariff universities (including Oxbridge and Russell Group). The remaining 21% have either pursued employment and apprenticeship opportunities or continued with further training. The Academy continued to seek to raise the profile of alternative degree routes and apprenticeships.

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

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**OBJECTIVES AND ACTIVITIES (continued)**

**c. Public benefit**

In setting the objectives listed above and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trust is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, sex, sexual orientation or disability. The Trust will make reasonable adjustments to meet the needs of staff or students who are or become disabled. Lifts, ramps and disabled toilets are installed, and door widths are adequate to enable wheelchair access to all the main areas of both sites. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making support resources available and through training and career development.

The Trust is committed to safeguarding and promoting the welfare of its students and expects all staff and volunteers to share this commitment.

Parents are given regular information about their children's social and academic progress through Parent Evenings, EduLink (secure online data), bulletins, letters and reports. Regular contact with parents is maintained throughout the year.

The Academy was involved in a number of community activities which included raising £5,245 for various charities during the year ended 31 August 2020. These charities included Unicef, Macmillan, Amnesty International, Dementia UK and Mind.

There are various local organisations that hire the Academy's facilities; including the following communities; netball, music, rugby, football, dance, adult education groups, yoga, performing arts, gymnastics, the local authority together with bridge, choir, camera and chess clubs.

The facilities at the Sevenoaks site are also continuing to be popular with the local community, with hirers such as badminton club, hockey club, musical theatre groups, five-a-side football clubs and confidence workshops for adults and children.

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

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**STRATEGIC REPORT**

**Achievements and performance**

As a result of the CAGs/algorithm being used in 2020, the last published results are available from the School's website

<https://www.wealdofkent.kent.sch.uk/quality-of-education/exams/exams-results>

Further information about our results can be found at:

<https://www.gov.uk/school-performance-tables>

<https://www.jcq.org.uk/examination-results>

**Admission Statistics for Year 7 entry**

Year	Published Admission Number	Number of Students
2016	175	239
2017	265	298
2018	265	302
2019	295	314
2020	295	318

**a. Key performance indicators**

The Trustees consider the following key performance indicators (KPI's) for the Academy;

- Ofsted rating of Outstanding retained
- Progress 8 score is at least 0.5
- 70% of A2 entries awarded A\* to B
- Pupil and Staff attendance is maintained at more than 95%
- More than 90% of teaching meets minimum expected standards
- Pupil to teacher and Pupil to staff ratio is in-line or better than national average
- 80% retention of staff who have passed probation and have been observed teaching minimum expected standards / have had a successful performance management
- All staff to receive at least an FTE equivalent of 25 hours of professional development per annum
- Spend on staffing as a percentage of income not to exceed 80%
- Cost per pupil to not exceed 100% of per pupil funding
- Carried forward reserves to be in-line with Reserves policy
- Have 0 red flags on Financial Probity

The Trustees recognise that measurement of these KPIs was interrupted by the required shutdown of the school in March 2020 due to the COVID 19 pandemic. The Trustees were pleased that progress to that date was positive and was regularly reported at Trustee meetings. These KPI's will continue to be reviewed within the Leadership and Management Committee meetings going forward and then reported to the full Trust Board. There is an awareness that the attendance figures will continue to be impacted by the COVID 19 measures put in place periodically by the government.

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

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**STRATEGIC REPORT (continued)**

**Achievements and performance (continued)**

**b. Going concern**

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

**Financial review**

Most of the Trust's recurrent income is obtained from the Education and Skills Funding Agency ('ESFA') in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Total revenue grant income received of £8.42m is an increase on the £7.10m in 2019; mainly due to the increase in numbers on roll. It is also due to Teachers' Pension Grants received this year to cover Teachers Pension Scheme Employer contribution rates increasing from 16.48% to 23.68%, plus the Teachers Pay Grant to cover part of the 2019 Teachers' Pay increase. The Trust also received capital funding of £200k during the year; an increase on the £101k from 2019. £32k of this relates to Devolved Formula Capital and £168k relates to a one-off donation received from the Weald of Kent Development Trust for the science block.

The grant income has been supplemented by other income of £656k (2019: £1,137k) from sources such as donations, lettings, contributions to trips and catering income; this was significantly reduced this academic year due to the impact of COVID 19 and related school closures.

The result on revenue funds for the year was a deficit, or net expenditure, of £215k, compared to a surplus, or net income, in 2019 of £176k. Capital projects totalling £360k were funded out of revenue funds for 2020 (2019: £92k); adjusting for this would show an in-year surplus of £145k (2019: £269k).

Self-generated income has significantly reduced this financial year due to the impact of COVID 19. Lettings income reduced by £60k compared to original budget and catering income reduced by £270k that was offset by cost savings of £222k to give an overall deficit compared to budget of £48k.

As at the year end, the Trust had a capital commitment totalling £772k which includes planned expenditure of £330k on the Science Block and £442k on the Windows project.

Revenue expenditure planned for 2019/20 was deferred to 2020/21 to try and mitigate the losses in income for the year. Cost savings were made by recalibrating Resource budgets and rescheduling ICT projects as foci were shifted.

Overall, the Trust has managed the finances to ensure that there has been no material impact due to COVID19 measures. The Trust has budgeted prudently for 2020/21 and is constantly reviewing the situation going forward.

The 3-year budget plan is linked to whole school priorities and is monitored closely by the Leadership and Management Committee to ensure deliverance according to the Trustees' overall strategic plan.

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

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**STRATEGIC REPORT (continued)**

**Financial review (continued)**

**a. Reserves policy**

The Trustees review the reserve levels of the Trust throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. This year, consideration has also been given to the uncertainties of the COVID-19 pandemic.

The Trustees have determined that the appropriate level of free reserves should be in line with the Department of Education guideline of 4 weeks' salary costs, which is circa £620k.

Current levels of reserves are significantly greater than the guideline level, standing at £1,248k as at 31 August 2020 before the designation of funds. £311k of these reserves have been allocated towards completing the new Science Block at Tonbridge; due to be opened December 2020. The remaining in excess of the reserves policy guideline is being held as a contingency to cover any potential income shortfall in 2020/21 due to COVID 19 potential additional expenses and loss of income.

At 31 August 2020 the total funds comprised:

Unrestricted	£973,441
Restricted: Fixed asset funds	£35,124,612
Pension reserve	(£2,465,000)
Other	£21,261
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	£33,654,314
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**b. Investment policy**

The Trust is careful with the public money we are entrusted with. The Trust will carefully invest any funds that are not required to cover anticipated expenditure and take steps to minimise the risk associated with financial investments whilst ensuring the highest rate of return.

**c. Principal risks and uncertainties**

The risk register is monitored regularly by the Leadership and Management Committee. For each risk identified, the probability, impact and seriousness have been considered together with appropriate action and avoidance plans. The risks that remain a high level for the Trust are summarised below.

- o Strategic risk — The risk that there will be insufficient demand for the Trust's services. Although the likelihood of this is low due to admission numbers and waiting lists; the impact would be high
- o Income risk — The risk on future funding not increasing in-line with expenditure. Again the impact on the Trust here would be significant if specific funding streams do not increase or continue at all

**d. Fundraising**

The Academy does not work with or have oversight of any commercial participators or professional fundraisers.

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

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**PLANS FOR FUTURE PERIODS**

The Trusts' immediate priority and focus is on mitigating the impact of the COVID 19 shutdown on the education of all students within the Trust. Baseline assessments were carried out at the beginning of academic year 2020/21, with COVID Catch Up funding diverted to areas of most need.

The short term focus includes developing a working model that allows a seamless shift to deliver the curriculum via online learning should the school be required to ask a group of students to isolate, or should we re-enter a period of local or national shutdown. This preparation has been achieved through a well-planned and constantly reviewed Risk Assessment, enabling the school to operate in a way that mitigates as much as possible the risks of COVID 19 within the school setting. Curriculum planning was also reviewed to allow the flexibility to shift between in person and remote learning together with an exceptional investment in the IT infrastructure required for delivery.

Our key areas of focus in the coming academic year are:

- o Improved communications to further enhance and develop the reputation of the Academy both within and outside the school community
- o To continue to focus on and drive improvements in teaching and learning to ensure that our students continue to achieve excellent results
- o To continue to focus on the delivery of outstanding quality of care, meaning that any barriers to learning are either removed or reduced as much as possible
- o To continue to develop the physical spaces for students to use across the school, with a particular focus in this coming year on the replacement of the windows at the Tonbridge campus
- o To continue to ensure that we are offering value for money in all aspects of school life

The Trust is continuing work with KCC and additionally Tonbridge Wells Boys Grammar School, to ensure that plans for the new boys annex on the Sevenoaks site are delivered in a way that allows the Trust to continue to offer parity of experience between our two campus'. This will further enhance the educational and extra-curricular offering that we have across the Academy and allows the running of both sites in a manner that represents value for money.

As at the year end, the Trust had a capital commitment totalling £772k which includes planned expenditure of £330k on the Science Block and £442k on the Windows project. There is £311k in unspent fixed asset funds carried forward so that funding is either carried forward within the fixed asset fund or will be received from CIF grants and other donations to cover the cost of the commitments.

**Funds held as custodian on behalf of others**

The Academy's bank account holds the annual grants and income generated by the KTSA. This income and expenditure is recorded under separate cost centres within the Academy's accounts system to enable clear and transparent budget monitoring for relevant stakeholders. All relevant parties have agreed a charging policy for the services provided by the KTSA.

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

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**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 29 January 2021 and signed on its behalf by:



.....  
**Antonia Rubin**  
(Chair of Trustees)

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

As Trustees, we have reviewed and taken account of the guidance in the Department of Education's Governance Handbook and Competency Framework for Governance.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Weald of Kent Grammar School Academy Trust and the Secretary of State for Education. The Accounting Officer is responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year; this should have been four times however one meeting was cancelled (17th March 2020) due to the lockdown restrictions imposed as a result of the COVID 19 outbreak.

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

Trustee	Meetings attended	Out of a possible
Timothy French, Chair of Trustees (resigned 8 December 2020)	3	3
Elizabeth Bone, Headteacher and Accounting Officer	3	3
Jeremy Dahdi (resigned 13 March 2020)	0	1
Gerard Garcia (resigned 23 October 2020)	3	3
Carmai Pestell	2	3
Antonia Rubin, Chair of Trustees	3	3
Julia Wilson (resigned 10 December 2019)	0	1
Rebecca Blackmore (resigned 20 November 2020)	3	3
Steven Doyle	3	3
Nick Hurman (appointed 10 December 2019, resigned 21 May 2020)	2	2
Clive Bygrave (appointed 10 December 2019, resigned 27 October 2020)	2	3
James Hill	2	3
Elizabeth Kinnersley (appointed 6 May 2020)	2	2
Radhika Bajaj	0	0
Yasmin Ullah	0	0
Nicholas Ulycz	0	0
Linda Stevens	0	0

**In Attendance**

Carina Cuddington (Chief Finance Officer)	3	3
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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Three Trustees resigned during the period this report covers, with four trustees resigning in 2020/21. Six new Trustees have been recruited into the vacancies since 1 September 2020. A skills audit is in progress (this was deferred from 2020 due to COVID 19); this will identify if there are any skills gaps within the Trust Board which will then be recruited for.

Subsequent to the year end, at a Trust Board meeting on 8 December 2020, Antonia Rubin was elected as Chair of Trustees in place of Timothy French. At the same meeting, Carmai Pestell was elected as Vice Chair of Trustees in place of Antonia Rubin.

There were only three meetings of the full board in the year due the impact of Covid-19. However, the trustees consider that both robust governance and effective financial management of the academy were maintained on a satisfactory basis throughout the year. This was through the operation of various subcommittees, specifically the Leadership and Management Committee which met an additional three times during the year to discuss the Trust's finances and operations. Although not all Trustees were in attendance of the Committee meetings, reports are circulated to all Trustees to ensure oversight. Monthly management accounts and detailed commentaries are also uploaded for all Trustees in a timely manner.

**Governance reviews**

As mentioned above, the planned Trustee skills audit for 2020 was delayed due to COVID 19 restrictions. The Members and Trust Boards will be commissioning an independent external review of overall governance of the Trust to be conducted by The Education People. The outcome of this review, amongst other things, will inform future recruitment and training of the Trust Board.

The Leadership and Management Committee is a sub-committee of the main Trust Board. Its purpose is to oversee the business affairs (in particular, the financial affairs) of the Academy Trust, making recommendations to the Board. This committee also covers the responsibilities of both the Audit Committee and the Pay Committee.

Full details of this committee's responsibilities can be found in their Terms of Reference.

The Leadership and Management Committee only met 3 times during the year due to COVID 19. Committee meeting agenda items were instead discussed either via email or at virtual Trust Board meetings to reduce the number of meeting required during lockdown. Any decisions made via email have been subsequently ratified at Trustee meetings. Attendance at Leadership and Management Committee meetings in the year was as follows:

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Timothy French - Chair of Trustees (resigned 8 December 2020)	3	3
Elizabeth Bone - Headteacher and Accounting Officer	3	3
Jeremy Dahdi (resigned 13 March 2020)	2	2
Antonia Rubin - Chair of Trustees	3	3
Steven Doyle	3	3
Gerard Garcia (resigned 23 October 2020)	1	1

**In Attendance**

Carina Cuddington (Chief Finance Officer)	3	3
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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Gerard Garcia replaced Jeremy Dahdi as the Chair of the committee on 13th July 2020. Further committee members have been recruited from the newly appointed trustees since 1 September 2020.

**Review of value for money**

As Accounting Officer, the Headteacher 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 Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by following best value procedures. In particular:

- Re-tendering the Electricity contract
- Re-tendering the Cleaning contract
- Review of staffing structure to ensure efficiencies in all areas

**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 not be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Weald of Kent Grammar School Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees 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 Trustees is of the view that there is a formal on-going 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 financial statements. This process is regularly reviewed by the Board of Trustees.

**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 Trustees
- regular reviews by the Leadership and Management Committee, at least six times a year, 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

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint UHY Hacker Young, an audit firm specialising in the Academy sector, to carry out internal audit reviews.

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:

- testing of Governance
- testing of risk management
- testing of budgetary control and accuracy of management accounting information

On a termly basis, the internal auditor reports to the Board of Trustees, through the Leadership and Management Committee, on the operation of the system of internal controls and on the discharge of the Board of Trustees' financial responsibilities. Due to the lockdown restrictions caused by the Covid 19 outbreak only two visits were completed during the year.

**Review of effectiveness**

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

- the work of the internal auditor
- 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 Leadership and Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



.....  
**Antonia Rubin**  
Chair of Trustees



.....  
**Elizabeth Bone**  
Accounting Officer

Date: 29 January 2021

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Weald of Kent Grammar School Academy Trust I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy 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 Board of Trustees 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 Trustees and ESFA.



.....  
**Elizabeth Bone**  
Accounting Officer  
Date: 29 January 2021

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



.....  
**Antonia Rubin**  
(Chair of Trustees)

Date: 29 January 2021

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy 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 financial statements are authorised for issue.

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative details, Trustees' Report, incorporating the Strategic Report and the Directors' Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees' Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and 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 Trustees' Report including the Strategic Report.

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

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

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Trustees 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.

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](http://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.



**Duncan Cochrane-Dyett BSc BFP FCA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson**

Statutory Auditors

Victoria Court

17-21 Ashford Road

Maidstone

Kent

ME14 5DA

Date: 29 January 2021

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 14 May 2018 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 Weald of Kent Grammar School Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Weald of Kent Grammar School Academy Trust's Accounting Officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Weald of Kent Grammar School Academy Trust's funding agreement with the Secretary of State for Education dated 28 January 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**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 our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of government issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

**Conclusion**

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

*MHA MacIntyre Hudson*

Reporting Accountant  
**MHA MacIntyre Hudson**

Statutory Auditors  
Victoria Court  
17-21 Ashford Road  
Maidstone  
Kent  
ME14 5DA

Date: 29 January 2021

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

	Note	Unrestricted funds 2020 £	Restricted general funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	4	118,278	-	199,998	318,276	419,975
Charitable activities	5	7,845	8,280,296	-	8,288,141	6,956,699
Teaching schools	32	-	127,806	-	127,806	143,409
Other trading activities	6	527,568	1,757	-	529,325	808,834
Investments	7	8,749	-	-	8,749	9,267
<b>Total income</b>		<b>662,440</b>	<b>8,409,859</b>	<b>199,998</b>	<b>9,272,297</b>	<b>8,338,184</b>
<b>Expenditure on:</b>						
Raising funds	8	158,145	-	-	158,145	261,012
Charitable activities	9	359,489	8,311,885	1,002,091	9,673,465	8,767,928
Teaching schools	32	-	146,430	-	146,430	153,631
<b>Total expenditure</b>		<b>517,634</b>	<b>8,458,315</b>	<b>1,002,091</b>	<b>9,978,040</b>	<b>9,182,571</b>
<b>Net income/ (expenditure)</b>		<b>144,806</b>	<b>(48,456)</b>	<b>(802,093)</b>	<b>(705,743)</b>	<b>(844,387)</b>
Transfers between funds	19	(360,050)	(192,893)	552,943	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(215,244)</b>	<b>(241,349)</b>	<b>(249,150)</b>	<b>(705,743)</b>	<b>(844,387)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(312,000)	-	(312,000)	(380,000)
<b>Net movement in funds</b>		<b>(215,244)</b>	<b>(553,349)</b>	<b>(249,150)</b>	<b>(1,017,743)</b>	<b>(1,224,387)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,188,685	(1,890,390)	35,373,762	34,672,057	35,896,444
Net movement in funds		(215,244)	(553,349)	(249,150)	(1,017,743)	(1,224,387)

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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		<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
	<b>Note</b>					
<b>Total funds carried forward</b>	19	<u><b>973,441</b></u>	<u><b>(2,443,739)</b></u>	<u><b>35,124,612</b></u>	<u><b>33,654,314</b></u>	<u><b>34,672,057</b></u>

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

The notes on pages 31 to 61 form part of these financial statements.

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07451660**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	15		<b>34,813,695</b>		35,373,762
			<b>34,813,695</b>		<b>35,373,762</b>
<b>Current assets</b>					
Stocks	16	-		2,650	
Debtors	17	<b>556,912</b>		291,350	
Cash at bank and in hand		<b>1,407,286</b>		1,602,709	
			<b>1,964,198</b>	1,896,709	
Creditors: amounts falling due within one year	18	<b>(658,579)</b>		(682,414)	
<b>Net current assets</b>			<b>1,305,619</b>		1,214,295
<b>Total assets less current liabilities</b>			<b>36,119,314</b>		<b>36,588,057</b>
<b>Net assets excluding pension liability</b>			<b>36,119,314</b>		<b>36,588,057</b>
Defined benefit pension scheme liability	27		<b>(2,465,000)</b>		(1,916,000)
<b>Total net assets</b>			<b>33,654,314</b>		<b>34,672,057</b>
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Restricted fixed asset funds	19	<b>35,124,612</b>		35,373,762	
Restricted general funds	19	<b>21,261</b>		25,610	
Restricted funds excluding pension liability	19	<b>35,145,873</b>		35,399,372	
Restricted general funds - pension reserve	19	<b>(2,465,000)</b>		(1,916,000)	
<b>Total restricted funds</b>	19		<b>32,680,873</b>		33,483,372
<b>Unrestricted funds</b>	19		<b>973,441</b>		1,188,685
<b>Total funds</b>			<b>33,654,314</b>		<b>34,672,057</b>

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07451660**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2020**

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The financial statements on pages 26 to 61 were approved by the Trustees, and authorised for issue on 29 January 2021 and are signed on their behalf, by:



**Antonia Rubin**  
(Chair of Trustees)



**Elizabeth Bone**  
(Accounting Officer)

The notes on pages 31 to 61 form part of these financial statements.

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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	<b>Note</b>	<b>2020</b> <b>£</b>	2019 <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	<b>20,834</b>	421,806
<b>Cash flows from investing activities</b>	22	<b>(216,257)</b>	(83,215)
<b>Change in cash and cash equivalents in the year</b>		<b>(195,423)</b>	338,591
Cash and cash equivalents at the beginning of the year		<b>1,602,709</b>	1,264,118
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<b>1,407,286</b>	1,602,709

The notes on pages 31 to 61 form part of these financial statements

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. General information**

Weald of Kent Grammar School Academy Trust is a private company limited by guarantee, incorporated in England and Wales. The address of the registered office and principal place of operation is detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

**2. Accounting policies**

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.

**2.1 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Weald of Kent Grammar School Academy Trust meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and rounded to the nearest pound.

**2.2 Going concern**

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

In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cashflows taking into account the potential impact on the Academy Trust. This analysis also considers the effectiveness of available measures to assist in mitigating the impact. Based on these assessments and having regard to the resources available to the Academy Trust, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the Trustees' Report and financial statements.

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

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**2. Accounting policies (continued)**

**2.3 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 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.

• **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 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.

**2.4 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.

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

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

• **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.

**2.5 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.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 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 2020**

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**2. Accounting policies (continued)**

**2.8 Tangible fixed assets**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The valuation of freehold property is taken from the land valuation and a building valuation provided by a FRICS qualified individual for insurance purposes. The basis for the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). Added to the valuation in September 2017 is the building costs of the project for the new Sevenoaks site, which reports as a long-term (125 year) leasehold.

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 basis:

Freehold property	-	2% straight line
Leasehold property	-	2% straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	20% straight line
Motor vehicles	-	10% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

**2.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.10 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.

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

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**2. Accounting policies (continued)**

**2.11 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.

**2.12 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.

**2.13 Provisions**

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2.14 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.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. 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.

**2.15 Operating leases**

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

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**2. Accounting policies (continued)**

**2.16 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.

**2.17 Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities.

**2.18 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 Trustees.

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

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

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

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**3. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

The Academy Trust 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 27, 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:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property, plant and equipment and note 2.8 for the useful economic lives of each class of assets.

**4. Income from donations and capital grants**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Donations	118,278	167,946	<b>286,224</b>	319,271
Capital Grants	-	32,052	<b>32,052</b>	100,704
<b>Total 2020</b>	<b>118,278</b>	<b>199,998</b>	<b>318,276</b>	<b>419,975</b>
Total 2019	319,271	100,704	419,975	

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**5. Charitable Activities - Funding for the Academy Trust's educational operations**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted general funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	7,089,822	<b>7,089,822</b>	6,240,115
Pupil Premium	-	60,230	<b>60,230</b>	52,865
Other DfE / ESFA revenue grants	-	635,821	<b>635,821</b>	183,095
	-	7,785,873	<b>7,785,873</b>	6,476,075
<b>Other government grants</b>				
Other Government revenue grants	-	483,259	<b>483,259</b>	480,624
Other Educational income	7,845	-	<b>7,845</b>	-
	7,845	483,259	<b>491,104</b>	480,624
<b>Exceptional government funding</b>				
Coronavirus exceptional support	-	11,164	<b>11,164</b>	-
<b>Total 2020</b>	<b>7,845</b>	<b>8,280,296</b>	<b>8,288,141</b>	<b>6,956,699</b>
Total 2019	-	6,956,699	6,956,699	

There are no unfulfilled conditions or other contingencies attached to the government grants.

The academy trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'exceptional government funding'.

The funding received for coronavirus exceptional supports covers £11,164 of costs. This includes £5,280 for expenditure above usual expenses on premises related costs over school holiday periods, £2,784 extra expenditure on school meals, and £3,100 extra expenditure on additional COVID cleaning. These costs are included in notes 8 and 9 below as appropriate.

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**6. Income from other trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Lettings income	85,201	-	<b>85,201</b>	162,932
Catering	413,707	-	<b>413,707</b>	583,079
Other income	28,660	1,757	<b>30,417</b>	62,823
<b>Total 2020</b>	<u>527,568</u>	<u>1,757</u>	<u><b>529,325</b></u>	<u>808,834</u>
Total 2019	<u>225,755</u>	<u>583,079</u>	<u>808,834</u>	

**7. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Short term deposits	8,749	<b>8,749</b>	9,267
Total 2019	<u>9,267</u>	<u>9,267</u>	

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**8. Total Expenditure**

	<b>Staff costs</b> <b>2020</b> £	<b>Premises</b> <b>costs</b> <b>2020</b> £	<b>Other costs</b> <b>2020</b> £	<b>Total</b> <b>2020</b> £	Total 2019 £
Expenditure on fundraising trading activities:					
Allocated support costs	-	-	158,145	<b>158,145</b>	261,012
Educational operations:					
Direct costs	5,820,766	-	653,700	<b>6,474,466</b>	5,438,693
Allocated support costs	802,056	661,862	1,735,081	<b>3,198,999</b>	3,329,235
Teaching school	43,639	-	102,791	<b>146,430</b>	153,631
<b>Total 2020</b>	<u>6,666,461</u>	<u>661,862</u>	<u>2,649,717</u>	<u><b>9,978,040</b></u>	<u>9,182,571</u>
Total 2019	<u>5,550,966</u>	<u>678,330</u>	<u>2,953,275</u>	<u>9,182,571</u>	

**9. Analysis of expenditure by charitable activities**

	<b>Activities</b> <b>undertaken</b> <b>directly</b> <b>2020</b> £	<b>Support</b> <b>costs</b> <b>2020</b> £	<b>Total</b> <b>funds</b> <b>2020</b> £	Total funds 2019 £
Educational operations	6,474,466	3,198,999	<b>9,673,465</b>	8,767,928
Total 2019	<u>5,438,693</u>	<u>3,329,235</u>	<u>8,767,928</u>	

**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. Analysis of expenditure by charitable activities (continued)**

**Analysis of support costs**

	<b>Educational operations 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Defined benefit pension scheme finance cost	35,000	<b>35,000</b>	34,000
Staff costs	767,056	<b>767,056</b>	726,312
Depreciation	694,787	<b>694,787</b>	693,351
Technology costs	147,737	<b>147,737</b>	138,487
Premises costs	661,862	<b>661,862</b>	678,330
Other costs	760,371	<b>760,371</b>	951,276
Governance costs	132,186	<b>132,186</b>	107,479
<b>Total 2020</b>	<b>3,198,999</b>	<b>3,198,999</b>	3,329,235
Total 2019	3,329,235	3,329,235	

**10. Governance costs**

	<b>2020 £</b>	2019 £
Auditor's remuneration - Audit of the financial statements	<b>8,490</b>	8,000
Auditor's remuneration - Other services	<b>5,680</b>	3,675
Legal and professional fees	<b>118,016</b>	95,804
	<b>132,186</b>	107,479

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**11. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2020</b>	2019
	<b>£</b>	£
Operating lease rentals	<b>25,364</b>	9,600
Depreciation of tangible fixed assets	<b>1,002,091</b>	989,491
Gain or loss on disposal of fixed assets	<b>17,020</b>	-
Fees paid to auditors for:		
- Audit of the financial statements	<b>7,190</b>	8,000
- Other services	<b>9,105</b>	3,675
	<b>=====</b>	<b>=====</b>

**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Wages and salaries	<b>4,788,850</b>	4,102,734
Social security costs	<b>468,461</b>	394,403
Pension costs	<b>1,263,001</b>	857,976
	<b>=====</b>	<b>=====</b>
	<b>6,520,312</b>	5,355,113
Agency staff costs	<b>95,697</b>	141,542
Staff restructuring costs	<b>15,452</b>	20,311
Defined benefit pension scheme cost	<b>35,000</b>	34,000
	<b>=====</b>	<b>=====</b>
	<b>6,666,461</b>	5,550,966

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

In 2019, there were two non-statutory/non-contractual severance payments totalling £20,311, individually these were £2,500 and £17,811. In 2020 there were two severance payments paid in the year of £3,367 and £12,085 totalling £15,452.

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**12. Staff (continued)**

**c. Staff numbers**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
Teachers	<b>97</b>	97
Administration and support	<b>80</b>	51
Management	<b>11</b>	8
	<b>188</b>	156

**d. Higher paid staff**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>4</b>	3
In the band £70,001 - £80,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1

The above employees participated in both the Teachers' Pension Scheme and the Local Government Pension Scheme. During the year ended 31 August 2020, pension contributions for these staff members amounted to £93,621 (2019 - £62,407).

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £738,367 (2019 £568,554).

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**WEALD OF KENT GRAMMAR SCHOOL ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**13. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees 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 Trustees' remuneration and other benefits was as follows:

		<b>2020</b>	2019
		£	£
Elizabeth Bone, Headteacher and Accounting Officer	Remuneration	<b>90,000 -</b>	85,000 -
		<b>95,000</b>	90,000
	Pension contributions paid	<b>20,000 -</b>	10,000 -
		<b>25,000</b>	15,000

During the year ended 31 August 2020, expenses totalling £258 were reimbursed or paid directly to 1 Trustee (2019 - £374) for travel expenses.

**14. Trustees' and Officers' insurance**

The Academy Trust has opted into the Department of 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 membership.

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**15. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>							
At 1 September 2019	21,574,471	16,071,828	17,792	1,886,841	772,476	56,975	40,380,383
Additions	67,476	-	243,388	45,486	105,821	-	462,171
Disposals	-	-	-	-	-	(43,475)	(43,475)
Transfers between classes	8,840	-	(17,792)	8,952	-	-	-
At 31 August 2020	<u>21,650,787</u>	<u>16,071,828</u>	<u>243,388</u>	<u>1,941,279</u>	<u>878,297</u>	<u>13,500</u>	<u>40,799,079</u>
<b>Depreciation</b>							
At 1 September 2019	2,832,866	642,872	-	1,043,394	463,749	23,740	5,006,621
Charge for the year	373,351	321,436	-	192,010	113,944	1,350	1,002,091
On disposals	-	-	-	-	-	(23,328)	(23,328)
At 31 August 2020	<u>3,206,217</u>	<u>964,308</u>	<u>-</u>	<u>1,235,404</u>	<u>577,693</u>	<u>1,762</u>	<u>5,985,384</u>

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**15. Tangible fixed assets (continued)**

	Freehold property £	Long-term leasehold property £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Net book value</b>							
At 31 August 2020	<b>18,444,570</b>	<b>15,107,520</b>	<b>243,388</b>	<b>705,875</b>	<b>300,604</b>	<b>11,738</b>	<b>34,813,695</b>
At 31 August 2019	18,741,605	15,428,956	17,792	843,447	308,727	33,235	35,373,762

Included in freehold property is freehold land at valuation on conversion of £2,922,000 (2019: £2,922,000) which is not depreciated.

Long-term leasehold property is property which is owned by Kent County Council and is leased to Weald of Kent Grammar School Academy Trust for a term of 125 years for a peppercorn rent.

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**16. Stocks**

	<b>2020</b>	2019
	£	£
Educational supplies	-	2,650

**17. Debtors**

	<b>2020</b>	2019
	£	£
<b>Due within one year</b>		
Trade debtors	<b>6,844</b>	14,158
Other debtors	<b>233,460</b>	142,313
Prepayments and accrued income	<b>316,608</b>	134,879
	<b>556,912</b>	291,350

**18. Creditors: Amounts falling due within one year**

	<b>2020</b>	2019
	£	£
Trade creditors	<b>297,001</b>	308,328
Other taxation and social security	<b>116,327</b>	97,101
Other creditors	<b>138,803</b>	88,164
Accruals and deferred income	<b>106,448</b>	188,821
	<b>658,579</b>	682,414

	<b>2020</b>	2019
	£	£
Deferred income at 1 September	<b>58,587</b>	100,180
Resources deferred during the year	<b>32,752</b>	58,587
Amounts released from previous periods	<b>(58,587)</b>	(100,180)
<b>Deferred income at 31 August</b>	<b>32,752</b>	58,587

At the balance sheet date the Academy Trust was holding funds received in advance for school trips taking place in the 2020-21 academic year of £30,146 and lettings income received in advance of £2,606.

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**19. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General funds	<b>1,188,685</b>	<b>662,440</b>	<b>(517,634)</b>	<b>(360,050)</b>	-	<b>973,441</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	<b>7,089,822</b>	<b>(6,896,929)</b>	<b>(192,893)</b>	-	-
Pupil Premium	-	<b>60,230</b>	<b>(45,955)</b>	-	-	<b>14,275</b>
Other DfE / ESFA revenue grants	-	<b>635,821</b>	<b>(635,821)</b>	-	-	-
Other Government revenue grants	-	<b>483,259</b>	<b>(483,259)</b>	-	-	-
Other activities	-	<b>1,757</b>	<b>(1,757)</b>	-	-	-
Kaizen generated funds	<b>25,610</b>	<b>127,806</b>	<b>(146,430)</b>	-	-	<b>6,986</b>
COVID income	-	<b>11,164</b>	<b>(11,164)</b>	-	-	-
Pension reserve	<b>(1,916,000)</b>	-	<b>(237,000)</b>	-	<b>(312,000)</b>	<b>(2,465,000)</b>
	<b>(1,890,390)</b>	<b>8,409,859</b>	<b>(8,458,315)</b>	<b>(192,893)</b>	<b>(312,000)</b>	<b>(2,443,739)</b>
<b>Restricted fixed asset funds</b>						
NBV of fixed assets	<b>35,373,762</b>	-	<b>(1,002,091)</b>	<b>442,024</b>	-	<b>34,813,695</b>
DfE / ESFA capital grants	-	<b>32,052</b>	-	<b>(32,052)</b>	-	-
Other restricted fixed asset income	-	<b>167,946</b>	-	<b>(167,946)</b>	-	-

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**19. Statement of funds (continued)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Capital committed from revenue	-	-	-	310,917	-	310,917
	<u>35,373,762</u>	<u>199,998</u>	<u>(1,002,091)</u>	<u>552,943</u>	<u>-</u>	<u>35,124,612</u>
<b>Total Restricted funds</b>	<u>33,483,372</u>	<u>8,609,857</u>	<u>(9,460,406)</u>	<u>360,050</u>	<u>(312,000)</u>	<u>32,680,873</u>
<b>Total funds</b>	<u><u>34,672,057</u></u>	<u><u>9,272,297</u></u>	<u><u>(9,978,040)</u></u>	<u><u>-</u></u>	<u><u>(312,000)</u></u>	<u><u>33,654,314</u></u>

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**19. Statement of funds (continued)**

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

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum. A transfer of £360,050 was made to the NBV of fixed assets fund to cover fixed asset additions and future capital projects.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the Education and Skills Funding Agency by the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy Trust.

The Pupil Premium fund has been established to recognise the restricted funding from the ESFA to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other DfE / ESFA grants fund has been created to recognise the restricted funding received from the DfE / ESFA which fall outside the scope of core funding.

The Other government grants fund has been established to recognise grants from government bodies other than the DfE/ESFA and Local Authorities that fall outside the scope of core funding.

The Other activities fund has been established to recognise all other restricted funding that cannot be classified above but fall outside the scope of its core activities.

The Kaizen generated funds represent the Teaching School activities, being receipt of grants from the National College for Teaching & Leadership, and the corresponding expenditure arising from that delivery of teacher education.

The LGPS deficit (pension reserve) fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised. The fund is in deficit but given the nature of the liability this is not payable immediately. Plans are in place to meet the deficit.

The Net Book Value of owned fixed assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The DfE / ESFA Capital grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of Fixed Assets fund.

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 2020.

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**19. Statement of funds (continued)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General funds	1,012,545	554,293	(285,671)	(92,482)	-	1,188,685
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	6,240,115	(6,240,115)	-	-	-
Pupil Premium	-	52,865	(52,865)	-	-	-
Other DfE / ESFA revenue grants	-	183,095	(183,095)	-	-	-
Other Government revenue grants	-	480,624	(480,624)	-	-	-
Other activities	-	583,079	(583,079)	-	-	-
Kaizen generated funds	35,832	143,409	(153,631)	-	-	25,610
Pension reserve	(1,322,000)	-	(214,000)	-	(380,000)	(1,916,000)
	<u>(1,286,168)</u>	<u>7,683,187</u>	<u>(7,907,409)</u>	<u>-</u>	<u>(380,000)</u>	<u>(1,890,390)</u>
<b>Restricted fixed asset funds</b>						
NBV of fixed assets	36,170,067	-	(989,491)	193,186	-	35,373,762
DfE / ESFA capital grants	-	100,704	-	(100,704)	-	-
	<u>36,170,067</u>	<u>100,704</u>	<u>(989,491)</u>	<u>92,482</u>	<u>-</u>	<u>35,373,762</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Statement of funds (continued)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Total Restricted funds</b>	34,883,899	7,783,891	(8,896,900)	92,482	(380,000)	33,483,372
<b>Total funds</b>	35,896,444	8,338,184	(9,182,571)	-	(380,000)	34,672,057

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted general funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	34,813,695	<b>34,813,695</b>
Current assets	1,632,020	21,261	310,917	<b>1,964,198</b>
Creditors due within one year	(658,579)	-	-	<b>(658,579)</b>
Defined benefit pension scheme liability	-	(2,465,000)	-	<b>(2,465,000)</b>
<b>Total</b>	973,441	(2,443,739)	35,124,612	<b>33,654,314</b>

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted general funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	35,373,762	35,373,762
Current assets	1,871,099	25,610	-	1,896,709
Creditors due within one year	(682,414)	-	-	(682,414)
Defined benefit pension scheme liability	-	(1,916,000)	-	(1,916,000)
<b>Total</b>	1,188,685	(1,890,390)	35,373,762	34,672,057

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**21. Reconciliation of net expenditure to net cash flow from operating activities**

	<b>2020</b>	2019
	£	£
Net expenditure for the period (as per Statement of Financial Activities)	<b>(705,743)</b>	(844,387)
<b>Adjustments for:</b>		
Depreciation	<b>1,002,091</b>	989,491
Capital grants from DfE and other capital income	<b>(199,998)</b>	(100,704)
Investment income	<b>(8,749)</b>	(9,267)
Defined benefit pension scheme cost less contributions payable	<b>202,000</b>	180,000
Defined benefit pension scheme finance cost	<b>35,000</b>	34,000
Decrease in stocks	<b>2,650</b>	905
(Increase)/decrease in debtors	<b>(265,562)</b>	27,662
(Decrease)/increase in creditors	<b>(23,835)</b>	144,106
Profit on disposal of fixed assets	<b>(17,020)</b>	-
<b>Net cash provided by operating activities</b>	<b>20,834</b>	421,806

**22. Cash flows from investing activities**

	<b>2020</b>	2019
	£	£
Investment income	<b>8,749</b>	9,267
Purchase of tangible fixed assets	<b>(462,171)</b>	(193,186)
Proceeds from the sale of tangible fixed assets	<b>37,167</b>	-
Capital grants from DfE Group	<b>199,998</b>	100,704
<b>Net cash used in investing activities</b>	<b>(216,257)</b>	(83,215)

**23. Analysis of cash and cash equivalents**

	<b>2020</b>	2019
	£	£
Cash in hand	<b>1,407,286</b>	1,602,709
<b>Total cash and cash equivalents</b>	<b>1,407,286</b>	1,602,709

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,602,709	(195,423)	1,407,286
	<u>1,602,709</u>	<u>(195,423)</u>	<u>1,407,286</u>

**25. Contingent liabilities**

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy Trust not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the ESFA.

Should the funding agreement be terminated for any reason, the Academy Trust shall repay to the ESFA the current value of the Academy Trust's land and buildings and other assets, to the extent that such assets were funded by sums received from the ESFA.

**26. Capital commitments**

	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>772,000</u>	<u>8,602</u>

The funding is either carried forward within the fixed asset fund or will be received from CIF grants and other donations to cover the cost of these commitments.

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**27. 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 Kent County Council. 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 2016.

Contributions amounting to £121,607 were payable to the schemes at 31 August 2020 (2019 - £82,730) and are included within creditors.

**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 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.

**The Teachers' Pension Budgeting And Valuation Account**

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.

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**27. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £822,000 (2019 - £510,000).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £239,000 (2019 - £217,000), of which employer's contributions totalled £184,000 (2019 - £167,000) and employees' contributions totalled £ 55,000 (2019 - £50,000). The agreed contribution rates for future years are 21 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

**Principal actuarial assumptions**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>3.25</b>	3.70
Rate of increase for pensions in payment/inflation	<b>2.25</b>	2.20
Discount rate for scheme liabilities	<b>1.60</b>	1.85
Inflation assumption (CPI)	<b>2.25</b>	2.20
Inflation assumption (RPI)	<b>3.05</b>	3.20

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

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**27. Pension commitments (continued)**

	<b>2020</b>	2019
	<b>Years</b>	Years
<i>Retiring today</i>		
Males	<b>21.8</b>	22.1
Females	<b>23.8</b>	24.0
<i>Retiring in 20 years</i>		
Males	<b>23.2</b>	23.7
Females	<b>25.2</b>	25.8

**Sensitivity analysis**

	<b>2020</b>	2019
	<b>£000</b>	£000
Discount rate +0.1%	<b>(125)</b>	(99)
Discount rate -0.1%	<b>129</b>	101
Mortality assumption - 1 year increase	<b>193</b>	157
Mortality assumption - 1 year decrease	<b>(186)</b>	(151)

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

	<b>2020</b>	2019
	<b>£</b>	£
Equities	<b>1,739,000</b>	1,635,000
Gilts	<b>18,000</b>	17,000
Other bonds	<b>347,000</b>	216,000
Property	<b>295,000</b>	279,000
Cash and other liquid assets	<b>82,000</b>	64,000
Absolute return fund	<b>204,000</b>	186,000
<b>Total market value of assets</b>	<b>2,685,000</b>	2,397,000

The actual return on scheme assets was £185,000 (2019 - £99,000).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**27. Pension commitments (continued)**

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

	<b>2020</b>	2019
	£	£
Current service cost	<b>(386,000)</b>	(307,000)
Past service cost	-	(40,000)
Interest income	<b>45,000</b>	57,000
Interest cost	<b>(80,000)</b>	(91,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(421,000)</b>	(381,000)

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

	<b>2020</b>	2019
	£	£
<b>At 1 September</b>	<b>4,313,000</b>	3,407,000
Current service cost	<b>386,000</b>	307,000
Interest cost	<b>80,000</b>	91,000
Employee contributions	<b>55,000</b>	50,000
Actuarial losses	<b>347,000</b>	421,000
Benefits paid	<b>(31,000)</b>	(3,000)
Past service costs	-	40,000
<b>At 31 August</b>	<b>5,150,000</b>	4,313,000

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

	<b>2020</b>	2019
	£	£
<b>At 1 September</b>	<b>2,397,000</b>	2,085,000
Interest income	<b>45,000</b>	57,000
Actuarial gains	<b>35,000</b>	41,000
Employer contributions	<b>184,000</b>	167,000
Employee contributions	<b>55,000</b>	50,000
Benefits paid	<b>(31,000)</b>	(3,000)
<b>At 31 August</b>	<b>2,685,000</b>	2,397,000

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**Reconciliation of opening to closing Defined Benefit Pension Scheme liability**

	2020 £	2019 £
Defined benefit pension scheme liability brought forward	1,916,000	1,322,000
Defined benefit pension scheme cost less contributions payable	202,000	180,000
Defined benefit pension scheme finance cost	35,000	34,000
Actuarial losses / (gains)	312,000	380,000
<b>Balance carried forward</b>	<b>2,465,000</b>	<b>1,916,000</b>

**The amounts recognised in the Balance Sheet are as follows:**

	2020 £	2019 £
Defined benefit pension scheme obligation	(5,150,000)	(4,313,000)
Fair value of pension scheme assets	2,685,000	2,397,000
	<b>(2,465,000)</b>	<b>(1,916,000)</b>

**28. Operating lease commitments**

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

	2020 £	2019 £
Not later than 1 year	26,004	26,164
Later than 1 year and not later than 5 years	30,724	56,727
	<b>56,728</b>	<b>82,891</b>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2020 £	2019 £
Operating lease rentals	25,364	9,600

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**29. 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.

**30. 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 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.

During the year the Weald of Kent Development Trust; a charity in which E Bone, A Rubin and T French are Trustees, agreed to donate the school £169,500 (2019: NIL) towards the development of the new science block at the Tonbridge Campus. The donation was received in the 2020/21 financial year and as such has been accrued in the 2020 accounts.

**31. Agency arrangements**

The Academy Trust administers the distributions of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. During the year the Academy Trust received £13,387 (2019 - £13,187) and disbursed £15,199 (2019 - £11,375) from the fund. A balance of £NIL (2019 - £1,812 was repayable) was reclaimable from the ESFA at the balance sheet date.

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**32. Teaching school trading account**

	<b>2020</b>	<b>2020</b>	2019	2019
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
<b>Direct income</b>				
Kaizen grants	<b>127,806</b>		143,409	
<b>Total income</b>		<b>127,806</b>		143,409
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Staff costs	<b>43,639</b>		42,561	
Other costs	<b>102,791</b>		111,070	
<b>Total direct expenditure</b>	<b>146,430</b>		153,631	
<b>Total expenditure</b>		<b>146,430</b>		153,631
<b>Deficit from all sources</b>		<b>(18,624)</b>		(10,222)
<b>Teaching school balances at 1 September 2019</b>		<b>25,610</b>		35,832
<b>Teaching school balances at 31 August 2020</b>		<b>6,986</b>		25,610