



**MERCHANT TAYLORS'
OXFORDSHIRE
ACADEMY TRUST**

**The Merchant Taylors' Oxfordshire Academy
Trust Limited**

Annual Report and Financial Statements

For the year ended 31 August 2020

Company registration number: 07727786 (England and Wales)

The Merchant Taylors' Oxfordshire Academy Trust Limited

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Reference and Administrative Details

Members	I Domville C O'Callaghan J Pebworth * The Merchant Taylors' Company The Oxford Diocesan Board of Education
Trustees	H Carter * J Chilton* I Domville* (Chairman) J Marston (CEO and Accounting Officer) J Pebworth G Stewart A Wilcox * Members of the Finance & Audit Committee
Company Secretary	L Harrison
Senior Management Team	
Head Teacher, Wallingford School & Trust CEO	J Marston
Head Teacher, Brightwell School	F Lewis
Deputy Head, Wallingford School	R Miller
Deputy Head, Wallingford School	K Vowles
Trust Business Manager	L Harrison
Trust Finance Director	G Smith
Principal and Registered Office	Wallingford School St George's Road WALLINGFORD Oxfordshire, OX10 8HH
Company Registration Number	7727786 (England and Wales)
Independent Auditor	James Cowper Kreston 2 Communications Road, Greenham Business Park, NEWBURY, RG19 6AB
Bankers	Lloyds Bank PLC 4 Market Place WALLINGFORD Oxfordshire, OX10 0EH
Solicitors	Stone King LLP 13 Queen Square BATH, BA1 2HJ Winckworth Sherwood LLP 16 Beaumont Street OXFORD, OX1 2LZ

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Trustees' Report

The Trustees present their annual report together with the financial statements and auditors' report of the trust for the year ended 31 August 2020. The company commenced activity on 1 September 2011 following conversion of Wallingford School to academy status on that date.

The Multi-Academy Trust comprises two academy schools:

Academy School	Capacity as stated in Funding Agreement	Students on Role (Latest Census)
Wallingford School	1,211	1305
Brightwell-cum-Sotwell CE Primary School	140	122

Wallingford School is an academy for pupils aged 11 to 18, serving the catchment area of Wallingford and its surrounding villages, in Oxfordshire.

Brightwell-cum-Sotwell CE Primary School joined the Trust on 1 September 2017. It serves the catchment area of Brightwell-cum-Sotwell and is in the catchment area for Wallingford School.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Trust's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees are also the directors of the Charitable Company for the purposes of company law.

The Trust also operates as Wallingford School and Brightwell-cum-Sotwell CE Primary School.

Details of the Trustees who served throughout the year and to the date these accounts are approved, except as noted, are included in the Reference and Administrative Details on page 2.

Members' Liability

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

Trustees' Indemnities

During the year the Company had insurance cover with the Department for Education's Risk Protection Arrangement (RPA) for Governors Liability Expense, with a limited indemnity of £10 million each and every loss and per year.

Principal Activities

The Trust's object is specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without

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prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum; and which shall include:

- (i) Academies other than those designated Church of England, whether with or without a designated religious character; and
 - (ii) Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Board of Education, but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.
- to promote for the benefit of the inhabitants of Wallingford and the surrounding area the provision of facilities for the recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Method of Recruitment and Appointment of Trustees

The Board of Trustees comprises:

- Up to eight Trustees appointed by the Members
- Up to three Trustees appointed from the Chairs of the local governing bodies of member academies
- A nominee of the Merchant Taylors' Company
- At least one and up to four Trustees nominated by the Oxford Diocesan Board of Education, not to exceed 25% of the Board membership
- Between two and three Parent Trustees in circumstances where local governing bodies have not made provision for parent governors.
- The Chief Executive Officer, with his/her agreement

As a vacancy arises the Trustees review the experience and skills of continuing Trustees and seek to appoint new Trustees with appropriate competencies from within the constituencies specified in the Memorandum & Articles of Association.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust subscribes to the National Governors Association, to provide access to current advice and support on all aspects of multi-academy trust governance for all Trustees and Governors. Trustees and Governors also attend governance courses provided by Oxfordshire County Council's Governor Services. Trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documentation required to fulfil their role.

Organisational Structure

Responsibilities

The organisational structure of the Trust to exercise its responsibility for each of its academy schools is as follows:

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- The Trust Board
- The Trust Finance & Audit Committee
- A Local Governing Body (LGB) for each School
- LGB Committees:
 - Wallingford School: Resources Committee, Performance, Teaching & Learning Committee, Wellbeing Committee
 - Brightwell School: Resources Committee, Performance Committee
- CEO & Accounting Officer

The Trust Board is responsible overall for the Trust, including ultimate responsibility for the use of its resources in the advancement of its objects. This includes:

- Ensuring clarity of vision, ethos and strategic direction
- Holding executive leaders to account for the educational performance of the Trust and its students, and the performance management of staff
- Overseeing and ensuring effective financial performance
- Ensuring regularity and propriety in use of the trust's funds.

The Board delegates specific responsibilities to its Finance & Audit Committee, Local Governing Bodies, the CEO, Trust Business Manager and Finance Director. Schemes of delegation set out the roles and responsibilities of the Committees, LGBs and Officers; these schemes are reviewed at least annually by all involved.

The Finance & Audit Committee, comprises a sub-group of the Trustees together with the chairs of the Resources Committees of the local governing bodies, the Finance Director (ex officio) and Company Secretary (ex officio). The Committee provides guidance for the budgeting, forecasting and financial planning processes of the Trust, reviews financial policies & procedures, reviews in-year financial reporting, recommends the annual budget and financial statements to the Board for approval and receives reports of the Trust's internal auditors.

Local Governing Bodies and their Committees oversee the management and organisation of the academy schools in line with the development plan for the Trust. They set the ethos and vision for the academy together with monitoring performance and financial targets. They ensure the implementation of any applicable policies set by the Trust.

The Trust is very grateful for the commitment of its Local Governors to the schools, the students and staff, and for their generosity with their time and expertise.

The CEO acts as Accounting Officer for the Trust. As the Accounting Officer, the CEO is responsible for:

- Ensuring that the Trust's property and assets are under the control of the trustees, and measures exist to prevent losses or misuse
- Ensuring that bank accounts, financial systems and financial records are operated by more than one person
- Keeping full and accurate accounting records to support their annual accounts.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for all staff in the Trust is set in accordance with the Trust's Pay Policy and in line with national frameworks and pay scales for teaching and local government staff.

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Pay decisions are made by the Trustees, which has delegated certain responsibilities to the Local Governing Bodies and to Head Teachers. The Board is responsible for the establishment and review of the pay policy. Local Governing Bodies have authority to recommend pay decisions in accordance with the Trust pay policy on behalf of the Board. Head Teachers are responsible for making individual pay decisions, within the confines of national agreements. The Local Governing Body (LGB) has responsibility for any decision to pay staff beyond the maximum of any national pay range. The head teacher advises the LGB on its decisions if payment beyond the maximum of any pay range is being considered.

The CEO's pay is set by the Board, within the framework set by national agreements and the School Teachers' Pay and Conditions Document issued by the Department for Education.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into effect on 1 April 2017. This requires relevant public sector employers, including Trusts, to report trade union activity.

- The number of full time equivalent employees who were relevant union officials during the year ended 31 August 2020 is one.
- The employee who was a relevant union official during the relevant reporting period spent the following percentage of their working hours on facility time: 0%
- The percentage of the total pay bill (i.e. gross wages + pension contributions + national insurance contributions) spent on facility time is Nil
- The time spent on paid trade union activities as a percentage of total paid facility time is Nil

Connected Organisations, including Related Party Relationships

Wallingford School Foundation is a registered charity that exists to provide or assist in the provision of facilities not normally provided by government funding at Wallingford School and for any charitable purpose relating to Wallingford School or its students. The Foundation has three trustees, of which one who is a current Trustee of The Merchant Taylors' Oxfordshire Academy Trust Limited and one is a current Member and Trustee of The Merchant Taylors' Oxfordshire Academy Trust Limited as well as being a Governor of the school in the year.

Walter Bigg Foundation for Wallingford School is a registered charity that manages the assets of the former Wallingford Grammar School, founded in 1659 with a bequest by Walter Bigg. The charity makes grants from its net income towards providing items, services and facilities for Wallingford School and for young people resident in Wallingford, with a preference for past and present students attending Wallingford School. The Foundation has six trustees, of whom one was a Trustee of The Merchant Taylors' Oxfordshire Academy Trust Limited, one was a member of The Merchant Taylors' Oxfordshire Academy Trust Limited and one was Governor of the school in the year. Two other trustees had no formal link to the Trust.

The School is grateful for the commitment and support of these charities for its work.

Objectives and Activities

Objects and Aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing

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schools that offer a broad and balanced curriculum; and to promote for the benefit of the inhabitants of Wallingford and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, Strategies and Activities

In developing the school and Trust strategy the Trustees are guided by a number of core principles:

- That our schools must be truly comprehensive in order to serve the needs of the whole of the local community.
- That the schools will strive for excellence in both delivering an outstanding education to the students and in the underlying operations that enable that education.
- That the schools will act in an ethical way in all that they do.

The Trust aims to provide the schools of choice in their catchment areas, meeting the academic and vocational aspirations of all our young people by providing optimal progression pathways, improving the qualification and skills performance of vulnerable groups and developing the life skills of our learners. In order to deliver this, we strive for excellence in our teaching and learning and in all aspects of our operations. Teaching at the Trust is continuing to improve with a very clear focus by school leaders on raising its quality, with careful monitoring by leaders and supported by a training programme, which is tailored to the needs of individual teachers.

The Trust provides a curriculum and enters students for courses that meet their needs, without reference to the drivers of league table success.

The Trust has developed a thorough and robust tracking system; identifying levels of attainment, ensuring students are clear on what is required to reach their potential and putting the support in place to assist them in reaching it. This is underpinned by good teaching, with variety and challenging work being set across the curriculum.

Public Benefit

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

The Trust leadership works with the governing bodies and leadership of its schools in continuing to improve the academic and moral wellbeing of all students. The Trust is highly inclusive and encourages students to value individual differences, preparing them for life outside of school.

Achievements and Performance

Wallingford School

The School provides an excellent standard of education to its students. Students joining the school broadly have an attainment in line with national averages and achieve exam results above the national average, testament to a clear focus on improving the quality of teaching and raising students' achievements throughout the Trust.

Exam results over the past few years at Wallingford School have been excellent at both Key Stages 4 and 5. In terms of raw academic outcomes, we are now consistently one of the highest performing schools in Oxfordshire.

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The public examinations that took place in the summer of 2020 produced the following results:

Examination	% of Students 2016	% of Students 2017	% of Students 2018	% of Students 2019	% of Students 2020*
GCSEs					
4 or above (A* - C)	79%	n/a	75%	75%	79%
A2					
A* - B	54%	63%	57%	64%	71%

*School performance tables have not been issued for 2020 and the 2020 results have not been externally validated.

Our Progress 8 score of 0.31 in 2019, shows that, on average, students achieve 0.56 of a grade higher in every one of their subjects compared to what they would achieve in an 'average' school.

Measure	2016	2017	2018	2019	2020
Attainment 8	57	51	50	53	55
Progress 8	0.34	0.33	0.16	0.31	0.56

The Progress 8 measure encourages schools to require every student to do a humanities subject and a modern language, regardless of their abilities or interests. We allow families to choose what subjects each student should follow. Our able students could choose to do dance, drama and music if that was their chosen route in life, while someone else might want to do PE and DT. We avoid having students who are not cut out for languages struggling through to a low GCSE grade, with no hope of ever really speaking French or German, when they could be thriving in a technical course or sport.

Our performance in English and Maths has been particularly strong in recent years. This year was no exception, with students making excellent progress across the attainment range.

Grade 4 or above:	2017	2018	2019	2020*
English	80%	81%	80%	80%
Maths	84%	80%	83%	83%
Grade 5 or above:				
English	70%	68%	70%	68%
Maths	65%	65%	68%	70%

*School performance tables have not been issued and the 2020 results have not been externally validated.

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Overall the School was again well above average nationally for A level results. This year we entered our largest cohort of students ever for A Levels and achieved our best ever A Level and Btec results. We also managed to sustain our commitment to allowing every one of our students who wants one a place at Wallingford Sixth Form and did not withdraw anyone because they were not heading towards impressive grades.

We recognise the importance of Vocational courses for our students and we have a *KS5 Vocational Strategy* in place. For Vocational qualifications, 6th form student numbers have increased significantly since 2013 and in 2020, %D*-D was 56% (2019:40%).

Wallingford School was inspected by OFSTED in March 2017. The School was graded overall as Good. Its Teaching, learning and assessment and Effectiveness of leadership and management were both judged Outstanding. We are particularly pleased that the inspectors recognised the following qualities of our School:

- “Leaders are driven by their clear sense of moral purpose. They strive to provide an environment that enables all pupils to flourish and feel valued and safe. Everyone working in the school is deeply committed to this ethos.
- Leaders understand the strengths of the school extremely well, and know which aspects could be even better. They take very effective action to address relative weaknesses, which leads to constant improvement.
- Pupils learn very well because teaching meets their needs closely. Teachers use their knowledge and skills highly effectively to structure learning that enables pupils to make increasingly good progress over time.
- Pupils achieve very well by the end of Year 11 across a broad range of subjects. The majority of pupils make very good progress across their subjects over the course of their five years at the school.
- Pupils' personal development and welfare are the absolute focus of everyone in the school. As a result, pupils feel safe and develop the skills and confidence they will need to reach their increasingly high aspirations
- The 16 to 19 study programme provides effectively for students via a broad range of academic and applied qualifications. Subsequently, students are prepared very well for their next steps.”

The Trustees and Governors have always been determined to do the best by our students, which includes ensuring they leave school with the best qualifications they can. This often mean deviating from approaches promoted by league table measures and tends to assist disadvantaged students in particular. No student is studying options because they make the school look good and each course is delivered and assessed in the way that ensures the best results for them and not the school.

Our academic achievements together with the School's truly comprehensive approach to education help to ensure that Wallingford School is the school of choice for young people within its catchment area of the town and its surrounding villages. The School has increased its intake when necessary to enable young people within the catchment area to attend the school. In the past 3 years numbers attending the 6th form have grown significantly. The pupil numbers on role at the School during the academic years 2017/18, to 2020/21 are as follows:

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	Nov-17	Nov-18	Nov-19	Nov-20
Year 7	209	193	223	216
Year 8	194	212	193	223
Year 9	189	191	215	196
Year 10	192	189	188	204
Year 11	188	193	186	193
Year 12	138	135	131	151
Year 13	113	129	117	122
Total	1,223	1,242	1,253	1305

The School wants to send its students out into the world able and qualified to play a full part and recognizes that academic achievements are not the only qualities required. We work hard to provide opportunities for students to grow and develop in character and experience beyond the classroom.

Brightwell School

Brightwell-cum-Sotwell CE Primary School joined the Trust on 1 September 2017. The school continues to be lead by a head seconded from Wallingford School.

Government Headline measurements are strong based on starting points and progress is improving in all classes.

2019 data shows that 93% of the Year 6 cohort achieved the Expected standard in Reading, 83% in Maths, 87% in Grammar, Punctuation and Spelling and 73% in writing. All of these results are above the national average, with the exception of the writing (78%). The number of children achieving Greater Depth continues to rise. All scaled scores are above the national average. This is a strong set of results for this cohort, considering their experience further down the school.

Phonics results are in a similar position with an 87% pass rate and 89% of our Reception children achieved a Good Level of Development.

Our children now benefit from strong teaching in each class and an extensive enrichment programme that supports and extends the learning in the classroom.

The Trustees and Governors commend the students and staff of the Schools for their continuing hard work and commitment to excellence not only in their academic work but in all areas of school life. These results are generated from a school ethos based in mutual respect and care for each student and staff member that challenges and enables everyone involved in the school to be the best they can be. The seconded headteacher time at Brightwell School has now been reduced to 0.6 FTE with a Deputy Head position in place to manage the 2 days the Head is not in school.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

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Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key Financial Performance Indicators

The primary financial performance indicator is the funding received in respect of pupil led funding from the ESFA. The pupils on role at the schools are coming from the town and surrounding villages and therefore any change in the population of these will have a direct impact on the Trust. The Trust has a very clear focus on maintaining and improving the standards of teaching and learning of students, with the outcomes of pupil attainment at public examination being a performance target throughout the teaching staff.

Other financial KPIs have been historically used to manage financial performance and these are:

- cash balance as % of annual expenditure
- in-year surplus/deficit compared to budget and forecast
- General Educational Fund balance compared to target

For the 2020/21 academic year we have adopted the Integrated Curriculum and Financial Planning (ICFP) tool as recommended by the ESFA. The Trust will be using this benchmarking tool to inform decision making and strategic direction of its schools over the medium term.

Financial Review

The Trust's principal source of funds is the General Annual Grant ("GAG") received from the Education and Skills Funding Agency, which amounted to £6.3m for the year (2019: £6.2m).

The total fund balances of the Trust at 31 August 2020, as detailed in note 20 to the financial statements, amounted to £7,422k (2019: £6,827k). Excluding the fixed asset fund (representing the net book value of fixed assets) of £10,009k and the pension deficit fund of £3,624k, fund balances amounted to £1,037k and are summarised as follows:

	£'000
GAG funds	-
School Sports Partnership funds	29
Other restricted income funds	71
Capital funds	658
General unrestricted funds	279
	<hr/>
	1,037
	<hr/>

The Trust made a net surplus in the year on its combined unrestricted and restricted general funds of £12k, excluding the impact of pensions accounting and restricted fixed asset funds. The surplus was managed within the parameters set by the Trustees' reserves policy. The surplus was generated despite the need to train teachers in the new public examination courses, to meet the needs of disadvantaged students for which there was insufficient Pupil Premium funding and repairs and improvements to meet Health & Safety requirements at Brightwell School.

All of the Trust's expenditure for the year was spent directly or indirectly to advance the objectives of the Trust, principally through the running of Wallingford School and Brightwell School.

The Local Government Pension Scheme deficit has decreased during the past year. The fair value of the fund investments increased over the year by £505k whilst the present value of the funded obligation

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increased by £142k. due to a change in financial assumptions. The discount rate assumption has been reduced from 1.9% to 1.7% (as this increases the value placed on benefits paid in the future). The discount rate used for the FRS102 reports is determined in line with accounting standard requirements which dictate the use of high quality corporate bond yields. The liability is assigned to the Trust's restricted general funds. The Trust relies on Parliament's guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities will be met by the Department for Education. The guarantee came into force on 18 July 2013.

Financial and Risk Management Objectives and Policies

The Trust has an Internal Financial Procedures Manual, which is reviewed annually, to minimise exposure to operational and financial risk. There has also been a regular review, by an external Responsible Officer, who undertakes quarterly internal audit checks at the Trust, with recommendations being sent directly to the Chair of Trustees.

Principal Risks and Uncertainties

The risks to the Trust's financial viability are as follows:

- Retention of pupils
- Public examination results
- Ofsted judgment/grading of the schools
- Local Housing developments

The management of risks is considered regularly, with leaders' performance management targets being directly linked to them.

Brightwell School joined the Trust on 1 September 2017 with limited reserves and an annual operating deficit. The Trust is working with the local governors and Head Teacher to improve educational outcomes, attract increased numbers of pupils to the school and make it financially sustainable.

Reserves Policy

The Trustees adopted a policy on reserves in October 2015; the policy is reviewed annually. The Trustees set a level of reserves intended to balance the need to secure and maintain the Trust's solvency and future activities with the need to maximise the benefits provided to current students. The student numbers at Wallingford School have increased year on year and this pattern is expected to continue. Brightwell School numbers are expected to increase. Step increases in numbers are anticipated over the next five years as planned housing developments within the catchment area are built and occupied. The Trustees have set a reserves level intended to ensure that the Trust operates within the funding that has been made available and has sufficient balances to cover the time lag between increased student numbers and receipt of the related GAG funding.

At 31 August 2020 the Trust had free reserves of £278,642 (2019: £274,343).

Restricted reserves consist of grants given for specific purposes. The balance of unspent restricted reserves at 31 August 2020 was £100,504 (2019: £92,585).

Restricted fixed asset funds comprise the net book value of fixed assets, that can only be realised by disposing of fixed assets, of £10,009,202, and unspent capital grants of £657,425. Capital funds transferred on conversion are held by the Trustees against an occasion when urgent capital expenditure may be required for which no other funding can be obtained.

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Investment Policy

The Trustees adopted an investment policy in February 2014. Over time, the Trustees aim to spend the School's resources for the direct educational benefit of its students. Cash balances not required for this purpose in the short term are placed on cash deposit in order to maximize income available for the school's educational activities.

Where practicable the reserve is deposited in tranches of up to £85,000, for periods of 1, 3, 6 and 12 months. Consideration is given to depositing each £85,000 tranche in a different authorised financial institution. Deposits are made only with financial institutions covered by the Financial Services Compensation Scheme.

Fundraising

The Trust and its schools carry out little fundraising from the public. Voluntary gifts are sometimes received from event organisers and the general public when the students take part in community events. Unsolicited gifts are always gratefully received and the Head Teacher of the relevant school will discuss with the donor the most appropriate use of their gift.

The Trust is very grateful to the Wallingford School Association and Friends of Brightwell School for their fundraising efforts on behalf of the schools. The activities of these organisations are carried out in consultation with the Head Teachers of the relevant schools.

Any complaints about fundraising activities would be handled in accordance with the Trust's complaints procedure. We will respect the privacy and contact preferences of all donors. We will respond promptly to requests to cease contacts or complaints and act as best we can to address their causes.

Plans for Future Years

The Trust will continue to welcome all students from its schools' catchment areas and deliver an education that prepares each of them to play a fulfilling role in society. The schools plan to continue working to improve the standard of teaching and learning for all of their students, whatever their strengths and needs.

At the time of reporting, the Trust has agreed with Oxfordshire County Council to provide the additional secondary school places that will be required in Wallingford and the surrounding area in the next five years, as a result of planned housing developments. Wallingford School will be expanding, with up to 300 additional places between 2019 and 2022. In addition, the school has consulted on raising the Pupil Admission Number (PAN) to 243 students from 2022/23. This will require a new building on the current site which will begin construction in the Spring of 2021.

Impact of Covid-19

In line with government instructions the schools shut in March 2020 and did not full reopen until the new academic year. The overall impact on the finances of the Trust was marginally negative although there was a negative impact at Brightwell School which was partially offset at Wallingford School.

Catering

Catering revenue from parents, is significant at Wallingford School but the impact on loss of margin was offset by furloughing our kitchen staff.

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Lettings and Clubs

Wallingford school benefits from letting indoor and outdoor spaces to private organisations. The school furloughed some staff in this area which only marginally offset the loss in revenue. Brightwell School provides "wrap around care" and so there was a large reduction in revenue because of the pandemic.

Trips

The impact of Covid-19 was neutral in this area as the huge loss in revenue was entirely offset by refunds by providers or insurance claims from our insurers (RPA).

Other Expenses

The schools incurred additional costs in the form of heating, cleaning and covid-19 security measures. The increases in costs were offset by a reduction in general education spend during the lockdown. See the table below for a summary of the impact on academic year 2019/20.

Impact on the 2020/21 academic year

The schools re-opened in September and has incurred additional costs related to ensuring covid-19 security. The government has not yet agreed to fund these exceptional costs and so there is a danger that the Trust may report an in year deficit for the new academic year.

In addition it is expected that there will be a large reduction in letting and club's income as a direct result of the pandemic.

Financial impact of Covid-19

	Wallingford	Brightwell	Total
	£	£	£
Furlough claims	38,688	-	38,688
Exceptional cost grant	16,721	4,314	21,035
	<u>55,409</u>	<u>4,314</u>	<u>59,723</u>
Loss of Revenue			
Loss of Catering Revenue	(75,000)	(6,000)	(81,000)
Loss of lettings Revenue	(25,000)	-	(25,000)
Loss of Clubs revenue	-	(8,000)	(8,000)
	<u>(100,000)</u>	<u>(14,000)</u>	<u>(114,000)</u>
Lower Catering costs	33,750	4,000	37,750
Increased spend on cleaning / heating etc	(12,000)	(2,500)	(14,500)
Lower general educational spend during lockdown	27,000	1,000	28,000
	<u>48,750</u>	<u>2,500</u>	<u>51,250</u>
Net Impact	<u>4,159</u>	<u>(7,186)</u>	<u>(3,027)</u>

Funds Held as Custodian on Behalf of Others

The trust holds no assets and funds as Custodian Trustee on behalf of others.

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Auditor

The Merchant Taylors' Oxfordshire Academy Trust Limited appointed James Cowper Kreston to act as auditors on 11 July 2019.

Insofar as the Trustees are aware:

- There is no relevant audit information of which the trust's auditor is unaware
- The 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 auditor is 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 10 December 2020 and signed on the Board's behalf by:



Ian Domville
Chair of Trustees

The Merchant Taylors' Oxfordshire Academy Trust Limited

Annual report and financial statements for the year ended 31 August 2020

Governance Statement

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Merchant Taylors' Oxfordshire Academy Trust Limited has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve objectives and can only reasonably and not absolutely assure against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Merchant Taylors' Oxfordshire Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The Board of Trustees, has formally met 8 times during the year. Attendance of Trustees in post during the year at meetings of the Board was as follows:

Trustee	Meetings attended	Out of a possible
H Carter *	7	8
J Chilton	6	8
I Domville (Chair of Trustees)	8	8
J Pebworth	8	8
G Stewart	6	8
A Wilcox	7	8
J Marston	8	8

The Academies Financial Handbook recommends the Board meets at least 6 times per year. The Board of Trustees considers five meetings to be sufficient for the size and complexity of the Trust. During the year there were a number of exceptional items to consider and as a result the board met more frequently. The Trustees are represented on local governing bodies by the Chairs of those bodies, exercising further governance oversight between formal meetings of the Board. The Board is contactable at all times by the company officers and available to convene additional meetings should the need arise.

The Finance & Audit Committee is a sub-Committee of the Board of Trustees. Its purpose is to establish and maintain a financially sound and sustainable Trust whilst at the same time increasing the opportunities and outcomes of the Trust's students. The Chair, H Carter, is an investment banker and represents the Merchant Taylors' Company.

The Merchant Taylors' Oxfordshire Academy Trust Limited

Annual report and financial statements for the year ended 31 August 2020

Attendance at meetings in the year was as follows:

Committee member	Meetings attended	Out of a possible
H Carter (Chair)	3	3
J Chilton	2	3
I Domville	2	3
S Nicholls	3	3
J Pebworth	2	3
J Marston	3	3

The Trustees conduct regular reviews of their effectiveness and balance of skills and experience needed as the business of the Trust develops. Where gaps are identified, they undergo training or seek to recruit Trustees with the needed skills and experience.

Review of Value for Money

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

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

Monitoring & measuring individual student performance:

Continuous data analysis and benchmarking of individual pupil predictions and attainment is used to generate targeted interventions to ensure each student makes the best possible progress from KS3 through to post-16. The progress of disadvantaged students and progress in English and Mathematics are ahead of the national average.

Shared support services:

Brightwell School's HR, finance and facilities management requirements were met by Wallingford School instead of buying in external support or being under-resourced due to the operating deficit. Procedures of the two schools were largely integrated, to maximise efficiency and improve the timeliness of reporting and management. Collection of monies owed, payment of suppliers, maintenance of HR records and contracts and compliance with Health and Safety regulations all improved significantly at the school over the year.

Using the tendering process to achieve value for money:

The Trust is a member of the Oxfordshire Academies Business Managers group and also works closely with a procurement consultancy company called Minerva. One project that we worked on was the review of catering and cleaning supplies. After considering a number of suppliers, Booker was chosen who would have helped us achieve £19k savings per year compared with the current supplier(s). Sadly, they

The Merchant Taylors' Oxfordshire Academy Trust Limited

Annual report and financial statements for the year ended 31 August 2020

pulled out in March as a direct result of the Covid-19 pandemic and so we are going through the process again to choose another supplier.

Another project that we worked on was the review of payroll bureau services. We have not switched to a new provider, yet, but our current provider (Access) was involved in the process and so have kept their prices competitive.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realized and the impact should they be realized, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Merchant Taylors' Oxfordshire Academy Trust for the period 1 September 2019 to 31 August 2020 and up to date approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Trust's system of internal 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 that are reviewed and agreed by the governing body;
- Regular reviews by the Finance & Audit Committee of reports that 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 and capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management risks.
- In 2019 Critchley's were appointed to conduct internal audits at the Trust. During the 2019/20 academic year Critchley's review the process for managing risk in the Trust and the procurement process. The two reports that they produced were shared with the Trust Finance and Audit committee.

The ratings of the visits remain acceptable. Recommendations made within the reports are reviewed and procedures updated where practical to do so.

The Merchant Taylors' Oxfordshire Academy Trust Limited

Annual report and financial statements for the year ended 31 August 2020

Review of Effectiveness

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

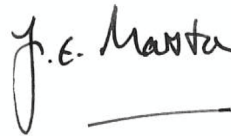
- The work of the internal audit service;
- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on its behalf by:



Ian Domville
Chair



John Marston
Accounting Officer

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Merchant Taylors' Oxfordshire Academy Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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.

A handwritten signature in black ink that reads "J.E. Marston". The signature is written in a cursive style with a long horizontal line extending to the right from the end of the name.

John Marston
Accounting Officer
Date: 10th December 2020

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

(A company limited by guarantee)

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

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 year. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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:



Ian Domville

Chair

Date: 10th December 2020

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED**

Opinion

We have audited the financial statements of The Merchant Taylors' Oxfordshire Academy Trust Limited (the 'academy') for the year ended 31 August 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 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'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 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'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.

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED (CONTINUED)

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, the Trustees' report including the Strategic report, and the Governance 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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic 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 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.

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED (CONTINUED)**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the Academy 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'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 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. This description forms part of our auditors' report.

Use of our report

This report is made solely to the Academy'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Farwell MA FCA DChA (senior statutory auditor)

for and on behalf of
James Cowper Kreston

Chartered Accountants and Statutory Auditors
2 Communications Road
Greenham Business Park
Greenham
Newbury
RG19 6AB

Date: 16 December 2020

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED AND THE EDUCATION AND SKILLS
FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 October 2020 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 The Merchant Taylors' Oxfordshire Academy Trust Limited 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 The Merchant Taylors' Oxfordshire Academy Trust Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Merchant Taylors' Oxfordshire Academy Trust Limited and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Merchant Taylors' Oxfordshire Academy Trust Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Merchant Taylors' Oxfordshire Academy Trust Limited's
accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Merchant Taylors' Oxfordshire Academy Trust Limited's funding agreement with the Secretary of State for Education dated 1 September 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.

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED AND THE EDUCATION & SKILLS
FUNDING AGENCY (CONTINUED)**

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's income and expenditure.

The work undertaken to draw to our conclusion includes:

1. reviewing of minutes of meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity;
2. 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 of the Academy Trust;
3. testing a sample of payroll payments to staff;
4. testing a sample of payments to suppliers and other third parties;
5. testing a sample of grants received and other income streams;
6. evaluating the internal control procedures and reporting lines, and testing as appropriate; and
7. 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.



Reporting Accountant

James Cowper Kreston

2 Communications Road
Greenham Business Park
Greenham
Newbury
RG19 6AB

Date: 16 December 2020

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED
(A company limited by guarantee)

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Note					
Income from:					
Donations and capital grants	3	201	248,417	675,597	924,215
Charitable activities	4	189,094	7,126,968	-	7,316,062
Other trading activities	5	226,926	-	-	226,926
Investments	6	1,670	-	-	1,670
		<u>417,891</u>	<u>7,375,385</u>	<u>675,597</u>	<u>8,468,873</u>
Total income					
Expenditure on:					
Raising funds		47,195	-	-	47,195
Charitable activities	8	281,770	7,933,768	304,194	8,519,732
		<u>328,965</u>	<u>7,933,768</u>	<u>304,194</u>	<u>8,566,927</u>
Total expenditure					
		<u>88,926</u>	<u>(558,383)</u>	<u>371,403</u>	<u>(98,054)</u>
Net income/(expenditure)					
Transfers between funds	21	(84,627)	133,302	(48,675)	-
		<u>4,299</u>	<u>(425,081)</u>	<u>322,728</u>	<u>(98,054)</u>
Net movement in funds before other recognised gains/(losses)					
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	27	-	693,000	-	693,000
		<u>4,299</u>	<u>267,919</u>	<u>322,728</u>	<u>594,946</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		274,343	(3,791,415)	10,343,899	6,826,827
Net movement in funds		4,299	267,919	322,728	594,946
		<u>278,642</u>	<u>(3,523,496)</u>	<u>10,666,627</u>	<u>7,421,773</u>
Total funds carried forward					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 31 to 58 form part of these financial statements.

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 07727786

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	15	4,314	5,752
Tangible assets	16	10,009,202	10,212,850
		<u>10,013,516</u>	<u>10,218,602</u>
Current assets			
Stocks	17	3,530	2,444
Debtors	18	872,734	291,606
Investments	19	310,996	309,603
Cash at bank and in hand		315,133	375,690
		<u>1,502,393</u>	<u>979,343</u>
Creditors: amounts falling due within one year	20	(470,136)	(487,118)
		<u>1,032,257</u>	<u>492,225</u>
Net current assets		1,032,257	492,225
Total assets less current liabilities excluding pension liability		11,045,773	10,710,827
Defined benefit pension scheme liability	27	(3,624,000)	(3,884,000)
Total net assets		7,421,773	6,826,827
Funds of the Academy			
Restricted funds:			
Fixed asset funds	21	10,666,627	10,343,899
Restricted income funds	21	100,504	92,585
		<u>10,767,131</u>	<u>10,436,484</u>
Restricted funds excluding pension asset	21	10,767,131	10,436,484
Pension reserve	21	(3,624,000)	(3,884,000)
		<u>7,143,131</u>	<u>6,552,484</u>
Total restricted funds	21	7,143,131	6,552,484
Unrestricted income funds	21	278,642	274,343
		<u>7,421,773</u>	<u>6,826,827</u>
Total funds		7,421,773	6,826,827

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

**(A company limited by guarantee)
REGISTERED NUMBER: 07727786**

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

The financial statements on pages 27 to 58 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



I Domville

Date: 10th December 2020

The notes on pages 31 to 58 form part of these financial statements.

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	23	6,674	(26,879)
Cash flows from investing activities			
	24	(65,838)	9,728
Change in cash and cash equivalents in the year		(59,164)	(17,151)
Cash and cash equivalents at the beginning of the year		685,293	702,444
Cash and cash equivalents at the end of the year	25, 26	626,129	685,293

The notes on pages 31 to 58 form part of these financial statements

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED

(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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.

The Merchant Taylors' Oxfordshire Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 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 company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and have concluded that there is no material misstatement.

1.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and when the receipt can be measure reliably.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

- **Donated goods, facilities and services**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

- **Transfer on conversion**

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

1.4 Expenditure

All expenditure is recognised when there is a legal or constructive obligation to transfer economic benefit and when the amount can be measured reliably. Expenditure has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with other relevant staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Expenditure on raising funds**

These are costs incurred in activities that raise funds.

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

Governance Costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and any reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.6 Tangible fixed assets

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

The property transferred on conversion has been valued on a depreciated replacement cost basis (see note 15 for further details).

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

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

Long-term leasehold land	- Over the term of the lease
Long-term leasehold property	- 2% per annum on cost (buildings only)
Fixtures, fittings and equipment	- 5 years
ICT equipment	- 3 years
Motor vehicles	- 4 years

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

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

1.7 Leased Assets

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

1.8 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 18. 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 20. 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.

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

1. Accounting policies (continued)

1.9 Investments

In accordance with SORP 2015 [paragraphs 10.41 to 10.56], investments are carried at fair value. Cash held on deposit is classified as an investment on the balance sheet.

1.10 Stocks

Any significant uniform and catering stocks are valued at the lower of cost or net realisable value.

1.11 Taxation

The Academy 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 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.

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 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.

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FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 and other funders.

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

1.14 Liabilities

All amounts owed, accrued or deferred by the academy trust are included under this balance sheet heading at their settlement amount (being the amount the academy trust expects to pay to settle the debt). We do not have amounts falling due after more than one year (2019: Nil)

1.15 Pension liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

1.16 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 31.

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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.

Useful lives of tangible fixed assets: leasehold property: The Trust's leasehold property is stated at cost less accumulated depreciation and any impairment losses. The assets are depreciated over their estimated useful lives to their estimated residual values. Both the estimated useful life and the residual value are reviewed at least at each financial year-end. The Trustees' on-going objectives and strategies for the Trust assume that the schools will continue to occupy their current sites indefinitely and there is no reason to adjust the estimated life of the leasehold assets. The land and buildings occupied by Brightwell School are occupied with the permission of the Trustees of the property, for £nil rent and subject to two years notice to vacate the property. Given the nature of the tenure, the Trust has judged the fair value of the occupation to be £nil.

Going concern: In order to assess whether it is appropriate for the Trust to be reported as a going concern, the Trustees apply judgement, having undertaken appropriate enquiries and having considered the business activities and the Trust's principal risks and uncertainties as set out in the Trustees' Report. In arriving at this judgement there are a number of assumptions made, particularly with regard to future revenue. The Trust is dependent upon receiving sufficient funding from the ESFA, in combination with its other limited sources of income, in order to be able to continue delivering its current high standard of comprehensive education. The Trustees have reviewed information provided by the ESFA regarding the National Funding Formula and assumed that sufficient funding will be received from the ESFA.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	201	248,417	-	248,618	196,638
Capital Grants	-	-	675,597	675,597	102,150
Total 2020	201	248,417	675,597	924,215	298,788
Total 2019	3,688	192,950	102,150	298,788	

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,324,853	6,324,853	6,214,277
Other DfE grants	-	598,305	598,305	281,680
Coronavirus job retention scheme grant	-	38,688	38,688	-
	-	6,961,846	6,961,846	6,495,957
Other Government grants				
Local authority grants	-	125,190	125,190	251,691
	-	125,190	125,190	251,691
Other income for educational operations				
Trips and activities income	119,875	-	119,875	373,327
Other educational income	69,219	39,932	109,151	85,371
	189,094	39,932	229,026	458,698
Total 2020	189,094	7,126,968	7,316,062	7,206,346
Total 2019	458,698	6,747,648	7,206,346	

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Community leisure and other lettings	65,518	65,518	96,368
Uniform sales	9,120	9,120	5,821
Catering income	152,288	152,288	155,913
Total 2020	226,926	226,926	258,102
Total 2019	258,102	258,102	

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6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Short-term deposit interest	1,393	1,393	2,295
Bank interest	277	277	398
Total 2020	<u>1,670</u>	<u>1,670</u>	<u>2,693</u>
Total 2019	<u>2,693</u>	<u>2,693</u>	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income:					
Costs of activities for raising funds	33,888	-	13,307	47,195	54,527
Academy Trust's educational operations					
Direct costs	5,321,850	-	579,938	5,901,788	5,825,676
Allocated support costs	1,445,293	363,187	798,274	2,606,754	2,479,751
Governance costs	-	-	11,190	11,190	9,888
Total 2020	<u>6,801,031</u>	<u>363,187</u>	<u>1,402,709</u>	<u>8,566,927</u>	<u>8,369,842</u>
Total 2019	<u>6,284,405</u>	<u>361,867</u>	<u>1,723,570</u>	<u>8,369,842</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	281,770	8,226,772	8,508,542	8,305,427
Governance costs	-	11,190	11,190	9,888
Total 2020	281,770	8,237,962	8,519,732	8,315,315
Total 2019	455,180	7,860,135	8,315,315	

9. Analysis of expenditure by activities

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	5,901,788	2,606,754	8,508,542	8,305,427
Governance costs	-	11,190	11,190	9,888
Total 2020	5,901,788	2,617,944	8,519,732	8,315,315
Total 2019	5,825,676	2,489,639	8,315,315	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	28,000	28,000	30,000
Staff costs	5,321,850	5,321,850	4,868,080
Educational supplies and trip costs	374,733	374,733	720,069
Examination fees	119,157	119,157	131,067
Staff development	56,760	56,760	72,434
Other direct costs	1,288	1,288	4,026
	<u>5,901,788</u>	<u>5,901,788</u>	<u>5,825,676</u>
Total 2019	<u>5,825,676</u>	<u>5,825,676</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities 2020 £	Governance 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	49,000	-	49,000	38,000
Staff costs	1,445,293	-	1,445,293	1,348,325
Depreciation and amortisation	304,194	-	304,194	294,062
Recruitment and support	14,397	-	14,397	34,138
Maintenance	191,610	-	191,610	202,663
Cleaning	35,272	-	35,272	23,326
Rent, rates and other utilities	136,305	-	136,305	146,105
Catering costs	86,352	-	86,352	125,128
Insurance	40,561	-	40,561	34,631
IT costs	65,498	-	65,498	40,489
Photocopier and stationery costs	20,640	-	20,640	15,314
Consultancy and other professional fees	145,555	-	145,555	108,647
Governance costs	-	11,190	11,190	9,888
Legal fees	17,884	-	17,884	9,163
Other support costs	54,193	-	54,193	59,760
Total 2020	2,606,754	11,190	2,617,944	2,489,639
Total 2019	2,479,751	9,888	2,489,639	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	15,404	15,404
Depreciation of tangible fixed assets	302,753	292,624
Amortisation of intangible assets	1,438	1,438
Fees paid to auditors for:		
- audit	8,600	8,600
- other services	2,400	800

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	4,914,376	4,684,367
Social security costs	468,585	434,186
Pension costs	1,384,877	1,080,111
	<u>6,767,838</u>	<u>6,198,664</u>
Agency staff costs	33,193	54,847
	<u>6,801,031</u>	<u>6,253,511</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	67	69
Administration and support	61	59
Management	12	10
	<u>140</u>	<u>138</u>

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	2	2
In the band £90,001 - £100,000	1	1
	<u>3</u>	<u>3</u>

d. Key management personnel

The key management personnel of the Academy 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 was £437,078 (2019: £456,225).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Central services

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

- Strategic decision
- HR
- Finance
- Payroll
- Recruitment
- Audit
- Insurance

The Academy charges for these services on the following basis:

5% of GAG

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Brightwell School	22,379	21,739
Wallingford School	293,864	288,975
Total	316,243	310,714

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

		2020 £	2019 £
N Willis, Head teacher and Trustee	Remuneration		95,000 - 100,000
	Pension contributions paid		15,000 - 20,000
J Marston, Head teacher and Trustee	Remuneration	95,000 - 100,000	
	Pension contributions paid	15,000 - 20,000	

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Trustees' and Officers' insurance

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

15. Intangible assets

	Computer software £
Cost	
At 1 September 2019	7,190
At 31 August 2020	7,190
Amortisation	
At 1 September 2019	1,438
Charge for the year	1,438
At 31 August 2020	2,876
Net book value	
At 31 August 2020	4,314
At 31 August 2019	5,752

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets

	Long-term leasehold land & property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2019	12,640,976	349,369	228,263	54,330	13,272,938
Additions	-	72,786	26,319	-	99,105
At 31 August 2020	<u>12,640,976</u>	<u>422,155</u>	<u>254,582</u>	<u>54,330</u>	<u>13,372,043</u>
Depreciation					
At 1 September 2019	2,594,421	195,635	219,062	50,970	3,060,088
Charge for the year	228,181	59,384	14,068	1,120	302,753
At 31 August 2020	<u>2,822,602</u>	<u>255,019</u>	<u>233,130</u>	<u>52,090</u>	<u>3,362,841</u>
Net book value					
At 31 August 2020	<u>9,818,374</u>	<u>167,136</u>	<u>21,452</u>	<u>2,240</u>	<u>10,009,202</u>
At 31 August 2019	<u>10,046,555</u>	<u>153,734</u>	<u>9,201</u>	<u>3,360</u>	<u>10,212,850</u>

The Trust took out 125 year leases over the property occupied by Wallingford School at the date of conversion. Leasehold buildings transferred on conversion were valued by qualified surveyors commissioned by the ESFA. The valuation was carried out on a depreciated replacement cost basis as at 31 August 2012 and the values of assets transferred on conversion were adjusted for depreciation to roll back the opening valuation to 1 September 2011.

The Trust took out a 125 year lease over the playing field adjoining Brightwell School at the date of conversion. The valuation was based on the market value price per hectare applied by Oxfordshire County Council for its playing fields for the year ended 31 March 2018.

17. Stocks

	2020 £	2019 £
Uniform stock	<u>3,530</u>	<u>2,444</u>

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18. Debtors

	2020 £	2019 £
Trade debtors	1,014	100,252
Prepayments and accrued income	831,344	120,070
Other debtors	40,376	71,284
	872,734	291,606

19. Current asset investments

	2020 £	2019 £
Short-term cash deposit	310,996	309,603
	310,996	309,603

20. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	97,085	167,376
Other taxation and social security	106,364	107,969
Other creditors	149,206	120,278
Accruals and deferred income	117,481	91,495
	470,136	487,118
	2020 £	2019 £
Deferred income at 1 September	37,754	120,070
Resources deferred during the year	(37,754)	(120,070)
Amounts released from previous periods	14,033	37,754
	14,033	37,754

Deferred income relates to grant income received in advance for the development of plans for a new block of classrooms on the Wallingford School site, SEN Top Up funding and the Sports Games Organiser post.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Unrestricted funds	274,343	417,891	(328,965)	(84,627)	-	278,642
Restricted general funds						
General Annual Grant (GAG)	-	6,324,853	(6,409,164)	84,311	-	-
Pupil Premium funding	-	118,490	(118,490)	-	-	-
Other DfE funding	11,122	453,525	(447,182)	-	-	17,465
Local Authority funding	-	170,340	(228,523)	48,991	-	(9,192)
Walter Bigg Trust	2,370	122,689	(125,059)	-	-	-
Wallingford School Foundation	444	19,000	(6,375)	-	-	13,069
Merchant Taylors'	8,271	79,551	(76,471)	-	-	11,351
School Associations	15,450	127	(450)	-	-	15,127
Partnership of schools funds	12,912	-	-	-	-	12,912
Go4It funds	279	-	(279)	-	-	-
Momenta/School Sports Partnership	31,165	24,340	(26,342)	-	-	29,163
Other restricted funding	740	62,470	(62,433)	-	-	777
Special purposes restricted balances	9,832	-	-	-	-	9,832
Pension reserve	(3,884,000)	-	(433,000)	-	693,000	(3,624,000)
	(3,791,415)	7,375,385	(7,933,768)	133,302	693,000	(3,523,496)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Capital funds transferred on conversion	45,684	-	-	(42,067)	-	3,617
Devolved formula capital grant	30,621	31,597	-	(52,410)	-	9,808
Fixed asset fund	10,218,603	-	(304,194)	94,793	-	10,009,202
Additional LA Grant funding carried forward	48,991	-	-	(48,991)	-	-
CIF	-	644,000	-	-	-	644,000
	<u>10,343,899</u>	<u>675,597</u>	<u>(304,194)</u>	<u>(48,675)</u>	<u>-</u>	<u>10,666,627</u>
Total Restricted funds	<u>6,552,484</u>	<u>8,050,982</u>	<u>(8,237,962)</u>	<u>84,627</u>	<u>693,000</u>	<u>7,143,131</u>
Total funds	<u><u>6,826,827</u></u>	<u><u>8,468,873</u></u>	<u><u>(8,566,927)</u></u>	<u><u>-</u></u>	<u><u>693,000</u></u>	<u><u>7,421,773</u></u>

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Brightwell School	(43,800)	9,924
Wallingford School	391,441	360,163
Central Trust reserve	31,505	(3,159)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	379,146	366,928
Restricted fixed asset fund	10,666,627	10,343,899
Pension reserve	(3,624,000)	(3,884,000)
	<hr/>	<hr/>
Total	7,421,773	6,826,827
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Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Brightwell School	487,209	56,657	34,507	84,166	662,539	691,877
Wallingford School	4,705,641	865,257	359,118	925,803	6,855,819	6,960,565
Central Trust reserve	-	763,267	-	-	763,267	423,338
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,192,850	1,685,181	393,625	1,009,969	8,281,625	8,075,780
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

21. 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 £
Unrestricted funds						
Unrestricted funds	313,798	723,181	(632,094)	(130,542)	-	274,343
Restricted general funds						
General Annual Grant (GAG)	-	6,214,277	(6,344,231)	129,954	-	-
Pupil Premium funding	-	118,890	(118,890)	-	-	-
Other DfE funding	4,952	162,790	(156,620)	-	-	11,122
Local Authority funding	-	251,691	(202,700)	(48,991)	-	-
Walter Bigg Trust	3,354	83,212	(78,813)	(5,383)	-	2,370
Wallingford School Foundation	10,384	11,150	(21,090)	-	-	444
Merchant Taylors'	9,629	70,400	(71,758)	-	-	8,271
School Associations	17,761	-	-	(2,311)	-	15,450
Partnership of schools funds	12,912	-	-	-	-	12,912
Go4It funds	279	-	-	-	-	279
Momenta/School Sports Partnership	32,561	24,905	(26,301)	-	-	31,165
Other restricted funding	740	3,283	(3,283)	-	-	740
Special purposes restricted balances	9,832	-	-	-	-	9,832
Pension reserve	(2,348,000)	-	(420,000)	-	(1,116,000)	(3,884,000)
	<u>(2,245,596)</u>	<u>6,940,598</u>	<u>(7,443,686)</u>	<u>73,269</u>	<u>(1,116,000)</u>	<u>(3,791,415)</u>

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Capital funds transferred on conversion	45,684	-	-	-	-	45,684
Devolved formula capital grant	16,741	102,150	-	(88,270)	-	30,621
Fixed asset fund	10,416,112	-	(294,062)	96,553	-	10,218,603
Additional LA Grant funding carried forward	-	-	-	48,991	-	48,991
	<u>10,478,537</u>	<u>102,150</u>	<u>(294,062)</u>	<u>57,274</u>	<u>-</u>	<u>10,343,899</u>
Total Restricted funds	<u>8,232,941</u>	<u>7,042,748</u>	<u>(7,737,748)</u>	<u>130,543</u>	<u>(1,116,000)</u>	<u>6,552,484</u>
Total funds	<u><u>8,546,739</u></u>	<u><u>7,765,929</u></u>	<u><u>(8,369,842)</u></u>	<u><u>1</u></u>	<u><u>(1,116,000)</u></u>	<u><u>6,826,827</u></u>

THE MERCHANT TAYLORS' OXFORDSHIRE ACADEMY TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	10,009,202	10,009,202
Intangible fixed assets	-	-	4,314	4,314
Current assets	278,642	570,640	653,111	1,502,393
Creditors due within one year	-	(470,136)	-	(470,136)
Provisions for liabilities and charges	-	(3,624,000)	-	(3,624,000)
Total	<u>278,642</u>	<u>(3,523,496)</u>	<u>10,666,627</u>	<u>7,421,773</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	10,212,850	10,212,850
Intangible fixed assets	-	-	5,752	5,752
Current assets	761,461	92,585	125,297	979,343
Creditors due within one year	(487,118)	-	-	(487,118)
Provisions for liabilities and charges	-	(3,884,000)	-	(3,884,000)
Total	<u>274,343</u>	<u>(3,791,415)</u>	<u>10,343,899</u>	<u>6,826,827</u>

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

23. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per statement of financial activities)	(98,054)	(603,913)
Adjustments for:		
Amortisation	1,438	-
Depreciation	302,753	292,624
Capital grants from DfE and other capital income	(31,597)	(102,150)
Interest receivable	(1,670)	(2,693)
Defined benefit pension scheme cost less contributions payable	433,000	352,000
Defined benefit pension scheme finance cost	-	68,000
Decrease/(increase) in stocks	(1,086)	582
(Increase)/decrease in debtors	(581,128)	(11,214)
(Increase)/decrease in creditors	(16,982)	(20,115)
Net cash provided by/(used in) operating activities	6,674	(26,879)

24. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	1,670	2,693
Purchase of intangible assets	-	(5,752)
Purchase of tangible fixed assets	(99,105)	(89,363)
Capital grants from DfE	31,597	102,150
Net cash (used in)/provided by investing activities	(65,838)	9,728

25. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	315,133	375,690
Notice deposits (less than 3 months)	310,996	309,603
Total cash and cash equivalents	626,129	685,293

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

26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	375,690	(60,557)	315,133
Liquid investments	309,603	1,393	310,996
	<u>685,293</u>	<u>(59,164)</u>	<u>626,129</u>

27. Pension commitments

The Academy'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 Oxfordshire 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 2019.

Contributions amounting to £119,486 were payable to the schemes at 31 August 2020 (2019 - £90,383) and are included within creditors.

Teachers' Pension Scheme

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

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

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

27. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

The employer's pension costs paid to TPS in the year amounted to £740,621 (2019 - £494,918).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 £340,000 (2019 - £305,000), of which employer's contributions totalled £257,000 (2019 - £231,000) and employees' contributions totalled £ 83,000 (2019 - £74,000). The agreed contribution rates for future years are 15.1 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.20	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	2.20	3.80

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

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

	2020	2019
	Years	Years
Retiring today		
Males	22.2	22.7
Females	24.3	24.3
Retiring in 20 years		
Males	22.9	24.0
Females	25.6	25.7

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate -0.5%	999	1,048
Salary increase rate +0.5%	105	192
CPI rate +0.1%	877	830

Share of scheme assets

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

	2020	2019
	£	£
Equities	3,072,000	2,751,030
Corporate bonds	878,000	837,270
Property	263,000	239,220
Cash and other liquid assets	176,000	159,480
Total market value of assets	4,389,000	3,987,000

The actual return on scheme assets was £110,000 (2019 - £211,000).

The amounts recognised in the Statement of financial activities are as follows:

	2020	2019
	£	£
Current service cost	(613,000)	(450,000)
Past service cost	-	(133,000)
Interest income	79,000	102,000
Interest cost	(156,000)	(170,000)
Total amount recognised in the Statement of financial activities	(690,000)	(651,000)

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

27. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	7,871,000	5,842,000
Current service cost	613,000	450,000
Interest cost	156,000	170,000
Employee contributions	83,000	74,000
Actuarial (gains)/losses	(662,000)	1,225,000
Benefits paid	(48,000)	(23,000)
Past service costs	-	133,000
At 31 August	8,013,000	7,871,000

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

	2020 £	2019 £
At 1 September	3,987,000	3,494,000
Interest income	79,000	102,000
Actuarial gains	31,000	109,000
Employer contributions	257,000	231,000
Employee contributions	83,000	74,000
Benefits paid	(48,000)	(23,000)
At 31 August	4,389,000	3,987,000

28. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	41,177	42,625
Later than 1 year and not later than 5 years	298	35,852
	41,475	78,477

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

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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

30. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

31. Connected organisations

Wallingford School Foundation is a registered charity that exists to provide or assist in the provision of facilities not normally provided by government funding at Wallingford School and for any charitable purpose relating to Wallingford School or its students. The Foundation has four trustees, of which one is a Member and Trustee and one is a Trustee of The Merchant Taylors' Oxfordshire Academy Trust and one is a Governor of Wallingford School.

Walter Bigg Foundation for Wallingford School is a registered charity that manages the assets of the former Wallingford Grammar School, founded in 1659 with a bequest by Walter Bigg. The charity makes grants from its net income towards providing items, services and facilities for Wallingford School and for young people resident in Wallingford, with a preference for past and present students attending Wallingford School. The Foundation has six trustees, of whom one is a Member and Trustee of The Merchant Taylors' Oxfordshire Academy Trust and one is a Governor of Wallingford School.

32. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the year ended 31 August 2020 the Trust received £17,460 (2019: £16,472) and disbursed £7,817 (2019: £6,182) from the fund. An amount of £23,995 (2019: £14,352) is included in other creditors relating to undistributed funds that is repayable to ESFA.