

Company Registration Number: 07683980 (England and Wales)

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

| | Page |
|---|----------------|
| Reference and Administrative Details | 1 - 2 |
| Trustees' Report | 3 - 10 |
| Governance Statement | 11 - 15 |
| Statement on Regularity, Propriety and Compliance | 16 |
| Statement of Trustees' Responsibilities | 17 |
| Independent Auditors' Report on the Financial Statements | 18 - 20 |
| Independent Reporting Accountant's Assurance Report on Regularity | 21 - 22 |
| Statement of Financial Activities Incorporating Income and Expenditure Account | 23 |
| Balance Sheet | 24 |
| Statement of Cash Flows | 25 |
| Notes to the Financial Statements | 26 - 49 |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

| | |
|--|--|
| Members | P Cottrell K Edenborough M Rogers |
| Trustees | <p>C Atkin (appointed 17 October 2016)¹ Z Barnes, Vice Chair (appointed 1 September 2016)² E Beese (appointed 17 October 2016)^{1,4} P Black¹ C Blackwood (appointed 1 September 2016, resigned 6 February 2017)² A Bowden, appointed as Chair 2 November 2017¹ K Bright (appointed 1 September 2016)² J Clements (appointed 1 September 2016)² O Feeley, resigned as Chair 2 November 2017^{1,4} D Knight (resigned 2 November 2017)^{2,4} A Laity³ G Lynn (appointed 1 September 2016)^{1,4} C Osborne (appointed 1 September 2016)¹ T Passingham (appointed 1 September 2016)^{3,4} A Sage (appointed 17 October 2016)¹ A Scully (appointed 1 September 2016, resigned 7 June 2017)³</p> <p>Non voting Associate Trustees L Craig, Head of Waycroft Academy^{1,4} T French, Executive Headteacher (appointed 1 September 2017)^{1,2,3,4} M Morgan, Head of Wicklea Academy^{2,4} H Morris, Head of Woodlands Academy^{3,4} S Sage, Executive Headteacher (resigned 31 August 2017)^{1,2,3,4}</p> <p>¹ Waycroft Academy Local Governing Body ² Wicklea Academy Local Governing Body ³ Woodlands Academy Local Governing Body ⁴ Finance Committee</p> |
| Company registered number | 07683980 |
| Company name | Waycroft Multi Academy Trust |
| Principal and Registered office | Waycroft Academy Selden Road Stockwood Bristol BS14 8PS |

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Company secretary P Warburton

Accounting officer T French

Senior Leadership Team

T French, Executive Headteacher (appointed 1 September 2017)
S Sage, Executive Headteacher (resigned 31 August 2017)
L Craig, Headteacher of Waycroft Academy
H Reeve, Teaching and Learning Lead at Waycroft Academy
A Vickers, MAT Teaching and Learning Practitioner
M Morgan, Headteacher of Wicklea Academy
K Brockett, Teaching and Learning Lead at Wicklea Academy
H Morris, Headteacher of Woodlands Academy
M Rylands, Teaching and Learning Lead at Woodlands Academy
P Warburton, Executive School Business Manager

Independent auditors Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Bankers Lloyds Bank PLC
102 Regent Street
Kingswood
Bristol
BS15 8HT

Solicitors Browne Jacobson LLP
44 Castle Gate
Nottingham
NG1 7BJ

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates one academy for pupils aged 2 to 11 (Waycroft), one academy for pupils aged 3 to 11 (Woodlands) and one academy for pupils aged 7 to 11 (Wicklea) in the Bristol area. It has a combined pupil capacity of 1,050 and had a roll of 940 in the school census on 24 January 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Waycroft Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Directors who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' Liability

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

Trustees' Indemnities

Directors benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Directors from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The MAT's Board of Trustees (Directors) comprised the Executive Headteacher (Stella Sage), Chair and Vice Chair of the Waycroft Academy Local Governing Body (Oliver Feeley and Andrew Bowden), Wicklea Academy Chair of the Local Governing Body (Dave Knight), Woodlands Academy Chair of the Local Governing Body (Andrea Laity) and a MAT Advisory Directors (Pat Black). There are fourteen Trustees (Directors) in total. There are also three Heads of School (Waycroft's is Lisa Craig, Wicklea's is Matt Morgan and Woodlands' is Heather Morris). The Heads of School are Non voting Associate Trustees of Waycroft MAT.

On 31 August 2017 Stella Sage resigned as Executive Headteacher. From 1 September 2017 Tracy French is the new Executive Headteacher and the accounting officer of the MAT.

There are three Founding Members: Phil Cottrell, Mark Rogers and Kevin Edenborough who are responsible for the appointment and removal of Trustees/Directors.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Directors who are Chairs or Vice Chairs of LGB's will only remain as Directors while in post as LGB Chair or Vice Chair.

When appointing new Directors, the Founding members will give consideration to the skills and experience mix of existing Directors in order to ensure that the Board has the necessary skills to contribute fully to the MAT's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Directors will depend upon their existing experience but would always include a tour of the three Academy sites (Waycroft, Wicklea and Woodlands) and a chance to meet staff and pupils. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. To reduce photocopying volume much of the documentation is available electronically. Advantage is taken of specific courses offered by the Local Authority and other bodies.

There are training sessions arranged to keep the Directors updated on relevant developments impacting on their roles and responsibilities. Directors also have access to Bristol City Council Governor Development Service, a service Waycroft Multi Academy Trust subscribes to each year.

Organisational Structure

The Directors meet at least once each term, a minimum of three times per year. Founding Members are also invited to attend each of these three meetings as well as an annual meeting which includes: Founding Members, Directors and all LGB members. The three committees, finance, site and buildings and personnel meet 3 or more times a year and report back to the full directors.

The Board establishes an overall framework for the governance of the three Academies and the MAT, determining membership, terms of reference policy and procedure. It receives reports for discussion and it monitors the activities of Waycroft, Wicklea and Woodlands through fortnightly written reports from the Heads of School. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

Directors meetings follow a pattern of standing agendas, with minutes produced by the Company Secretary (Pauline Warburton).

Committee meetings follow a pattern of standing agendas, with minutes produced by the Company Secretary (Pauline Warburton).

A Pay Review Committee is formed as and when necessary, comprising the Chairs of Personnel and Finance committees and the Chair or Vice Chair of the Directors. Supported with salary information by the MAT SBM (Pauline Warburton).

The following decisions are reserved to the Board of Directors; to consider any proposals for changes to the status or constitution of the MAT and its governance structure, to appoint or remove the LGB Chairman and/or Vice Chairman at Waycroft, Wicklea or Woodlands, to appoint the Executive Principal and Executive Head and to approve the School Development Plan (SDP) and MAT budget.

The Directors are responsible for setting general policy, the School Development Plan agreeing an annual budget, capital expenditure, approving the statutory accounts, monitoring the use of budgets and other data and making major decisions about the direction of the MAT, such as the sponsorship of another school.

The Board of Directors have devolved responsibility for day to day management of the MAT to the Executive Headteacher and other senior leaders.

The above responsibilities are further detailed in the Scheme of Delegation.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

The MAT SLT comprised of the Executive Headteacher (Stella Sage), three Heads of School (Lisa Craig, Matt Morgan and Heather Morris) and the Teaching and Learning Lead in each school (A Vickers at Waycroft, K Brockett at Wicklea and M Rylands at Woodlands). The MAT Executive School Business Manager joins SLT as and when required.

The aim of Waycroft MAT leadership structure is to devolve responsibility, distribute leadership and encourage involvement in decision making at all levels. Over time, distributive leadership will aid succession planning and retention of staff.

The Executive Headteacher and Executive School Business Manager are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to Academy Budget Holders, but is authorised in line with the Scheme of Delegation.

The Executive Headteacher is responsible for the appointment of staff; though appointment panels for teaching posts always include a Director.

The Executive Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Board of Directors and the SLT comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Trust on a day to day basis.

All Directors give their time freely and no Trustee received remuneration in the year for their work as a Director. Details of any Directors' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the SLT is reviewed annually. National pay scale increases as agreed with unions are applied to the current pay point within range of each member of the SLT. Any changes to pay grade are only made following successful performance management review, until the upper end of their salary scale is reached. The Executive Headteacher appraises all members of the SLT and makes recommendations to the Board of Directors regarding scale point changes. The appraisal of the Executive Headteacher is carried out by the Chair and Vice Chair of Directors supported by an external advisor.

Connected Organisations, including Related Party Relationships

The Academy Trust has strong collaborative links with Bath Spa University. A Bath Spa University senior tutor (Pat Black) is a member of the Waycroft Multi Academy Trust Board of Directors. Some Bath Spa University teacher training students complete teaching practices at Waycroft, Wicklea or Woodlands Academies.

Waycroft, Wicklea and Woodlands Academies are all Challenge Partners schools and active members of the South 3 Cluster of Bristol schools, meeting to share expertise and provide mutual support.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

All three MAT schools also enjoy excellent relationships with Bristol City Local Authority. Waycroft, Wicklea and Woodlands use a BCC officer as a School Improvement Adviser, giving guidance on the level of challenge and standards. This officer visits each school three times per year, talking with senior leaders and governors whilst reviewing evidence.

All three academies have 'Friends' Committees which are groups of volunteer parents and carers, affiliated to the National Parent Teacher Association and registered charities. These groups of volunteers work with MAT staff to organise fund raising and social events for children, parents and carers.

There are no other related parties which either control or significantly influence the decisions and operations of Waycroft Multi Academy Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of Waycroft MAT is to advance the public benefit of education in the United Kingdom. In particular, by establishing, maintaining, carrying on, managing and developing three successful schools, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Waycroft Multi Academy Trust to provide free education and care for pupils of different abilities between the ages of 2 and 11 at Waycroft, 3 and 11 at Woodlands, and 7 and 11 at Wicklea.

The aims of the Academy Trust during the year ended 31 August 2017 are summarised below:

- Create a safe, happy and caring learning environment where children realise their full potential in line with the United Nations Convention on the Rights of the Child (UNCRC)
- Teach the importance of courtesy, good manners, self-discipline and respect for others including when working together
- Teach respect for religious and moral values with an understanding of all races, religions and ways of life in an increasingly multicultural society
- Teach and encourage an enjoyment of reading
- Teach written and spoken communication skills
- Develop questioning in order to extend learning
- Develop knowledge and understanding of mathematical concepts
- Develop an interest and understanding of technology and its applications
- Develop a curiosity through problem solving
- Promote an interest in all aspects of the world
- Develop an appreciation of creativity and an ability to express feelings
- Teach recreational games and encourage a positive attitude towards health and physical fitness
- Develop an understanding of people as individuals with their own strengths and weaknesses
- Encourage children to focus on doing their best as opposed to being the best and to recognise and celebrate the achievements of others
- Develop a caring attitude toward the environment and the ability to think globally and act locally including within the local community

Within Waycroft MAT we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our MAT (Waycroft, Wicklea and Woodlands schools) is a community in which children, staff and parents/carers should feel part of a happy and caring environment.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Objectives, Strategies and Activities

Key priorities for the year are contained within the School Development Plan, (available upon request). All three schools share the same three priorities, listed below. But Waycroft, Wicklea and Woodlands have different milestones contained within their SDP's. This is because each school is at a different stage of development.

(Priority 1) Developing a curriculum which meets the needs of Waycroft pupils in the 21st century

(Priority 2) Directly address the Every Child Matters agenda

(Priority 3) Working with and engaging stakeholders

Strategies for hitting targets related to priorities 1, 2 and 3 are detailed in the School Development Plan (SDP). The SDP is reviewed termly, adjusted each year and rewritten every three years using the format agreed by Directors, currently 2016-2019. It is regularly monitored by all staff, governors and the MAT School Improvement Adviser – a new one is to be appointed from 1 September 2017.

Public Benefit

The Directors confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

As a MAT we have a duty to support other schools. Over the last 12 months Waycroft has supported and worked with a number of schools.

STRATEGIC REPORT

Achievements and Performance

To ensure that standards are continually assessed, the MAT operates a programme of lesson observations, scrutinising books, learning walks and staff appraisal. All of which are undertaken by senior staff and team leaders.

The new Nursery for 2 year olds at Waycroft Academy opened in September 2016. A grant of £10k was awarded by the Early Years team at Bristol City Council in 2015/16 to support the staffing structure whilst the provision is not at capacity. This ran successfully during 2016-2017.

Waycroft Academy is in its sixth year of operation and has matched the forecast number of pupils. The total number of students in the year ended 31 August 2017 was 479. Waycroft Academy is full in all age groups with most year groups having a waiting list of 5 to 10 pupils.

Wicklea Academy has been an academy since March 2015, but has been managed by Waycroft MAT since September 2014. Numbers have risen since the beginning of the 2014/15 academic year and forecast a growth of 30 pupils per year for the next 3 years, rising to a capacity of 360 pupils, twelve classes of 30 children aged 7 to 11. At the start of September 2016 there were 272 pupils on roll.

Woodlands Academy has been an academy since 1 October 2015. It is a one form entry school with a capacity for 262 pupils. At the end of Term 6 (2015/2016) there were 198 pupils. At the start of September 2016 there were 183 pupils on roll. This was due to a reduction in the number of Nursery pupils from 40 to 19. Reception class for the first time is full with 30 children and children on the waiting list.

SATS

Waycroft end of KS2 SAT Results have been consistently well above national averages for over 16 years, representing good value for money and helping children to be the best they can be. Wicklea Academy KS2 SAT scores rose by significantly in 2015 and 2016. 2017 shows a decline. Data from KS1 shows that the 2016-2017 cohort were likely to perform less highly. Progress measures will be published in the Autumn.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Woodlands academy results have improved significantly over the last 2 years since joining the Waycroft MAT. The close proximity of Woodlands, Waycroft and the close working relationship of the teachers, particularly in Y6, has been incredibly beneficial.

Senior leaders, Directors and Founding Members all feel this provides further evidence of the impact the organisation is having on pupils' life chances. The results for 2016-2017 in all 3 academies are based on the new Primary Assessment systems.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against income.

Another key financial performance indicator is staffing costs as a percentage of total non-capital income. For 2017 this was 85%, compared to 83% in 2016.

Financial Review

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2017, total expenditure of £4,484,371 was not covered by recurrent grant funding from the DfE, together with other incoming resources of £4,234,890. The deficit of income compared with expenditure for the year (excluding restricted fixed asset funds) was £249,481.

At 31 August 2017 the net book value of fixed assets was £8,002,969 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Reserves Policy

The Directors review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors take into consideration the future plans of the MAT, the uncertainty over future income streams and other key risks identified during the risk review.

The Directors have determined that the appropriate level of free reserves should be approximately enough to cover 1.5 months expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Total reserves of the Academy Trust amount to £6,405,943, although £5,820,792 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £585,151 (representing £360,013 unrestricted funds and £225,138 unspent GAG) is the balance that the Directors monitor in accordance with the Board's reserves policy. This represents 1.6 months of normal recurring expenditure.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Multi Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the MAT's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Investment Policy

Directors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk.

Principal Risks And Uncertainties

The Board of Directors has reviewed the major risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 95% (2016: 90%) of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Directors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Directors ensure that student success and achievement are closely monitored and reviewed.

Safeguarding, child protection and "prevent" - the Directors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the MAT is reliant upon the quality of its staff and so the Directors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - the MAT has appointed the external auditor to carry out internal assurance checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The MAT has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Directors and include the financial risks to the MAT. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Directors have assessed the major risks to which the MAT is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Directors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

At the year end, the MAT had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Directors recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Directors consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

PLANS FOR FUTURE PERIODS

The MAT will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The MAT will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The MAT will continue to work with Challenge Partners, Robinswood Multi Academy Trust, an Education Consultant, a School Improvement Officer and the local South 3 Cluster of Schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our School Development Plan, a summary of which is available on our website or from the Company Secretary.

We plan to maintain current class sizes, with a maximum of 30 pupils in each class at Waycroft, Wicklea and Woodlands, which will reflect in academic outcomes being improved.

Curriculum planning and monitoring of teaching and learning will be closely observed and active measures taken to improve outcomes at Wicklea Academy which had a dip in KS2 results in 2016-2017.

AUDITORS

In so far as the Directors are aware:

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

The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on ~~14.10.17~~ and signed on the board's behalf by:



O Feeley
Chair of Trustees (outgoing)

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Waycroft Multi 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 information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|-------------------------------------|-------------------|-------------------|
| C Atkin | 4 | 4 |
| Z Barnes | 4 | 4 |
| E Beese | 4 | 4 |
| P Black | 0 | 4 |
| C Blackwood | 2 | 2 |
| A Bowden | 3 | 4 |
| K Bright | 3 | 4 |
| J Clements | 0 | 4 |
| O Feeley | 4 | 4 |
| D Knight | 3 | 4 |
| A Laity | 3 | 4 |
| G Lynn | 4 | 4 |
| C Osborne | 3 | 4 |
| T Passingham | 3 | 4 |
| A Sage | 3 | 4 |
| A Scully | 2 | 2 |
| L Craig, Head of Waycroft Academy | 4 | 4 |
| T French, Executive Headteacher | 1 | 1 |
| M Morgan, Head of Wicklea Academy | 3 | 4 |
| H Morris, Head of Woodlands Academy | 4 | 4 |
| S Sage | 4 | 4 |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main Board of Trustees. The purpose of the Finance Committee is to ensure that the standards of financial control and administration are adhered to, make financial plans including agreeing the draft budget, and monitor the progress of income and expenditure. The Finance Committee has formally met 3 times during the year though the second meeting was only attended by the Chair of Trustees and the members. Attendance during the year at meetings was as follows:

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|--------------|-------------------|-------------------|
| E Beese | 2 | 3 |
| L Craig | 3 | 3 |
| O Feeley | 2 | 3 |
| G Lynn | 3 | 3 |
| M Morgan | 2 | 3 |
| H Morris | 2 | 3 |
| T Passingham | 3 | 3 |
| S Sage | 3 | 3 |
| | 3 | 3 |

An Audit Committee is formed from the attendees of the full Board of Trustees who attend the audit planning and closing meetings. Its purpose is to ensure the Trustees review, understand and approve the financial statements. All Trustees are invited to attend these meetings.

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|------------|-------------------|-------------------|
| C Atkin | 1 | 2 |
| Z Barnes | 1 | 2 |
| J Clements | 1 | 2 |
| L Craig | 2 | 2 |
| O Feeley | 1 | 2 |
| D Knight | 1 | 2 |
| A Laity | 2 | 2 |
| G Lynn | 1 | 2 |
| M Morgan | 2 | 2 |
| H Morris | 2 | 2 |
| C Osborne | 1 | 2 |
| M Rogers | 1 | 2 |
| S Sage | 2 | 2 |
| A Scully | 1 | 2 |

REVIEW OF VALUE FOR MONEY

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

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

The most powerful representation of Waycroft MAT providing value for money in 2016-2017 are the end of KS2 SAT results at all three academies.

Waycroft results have consistently outstripped national data for the last 15 years or more, Waycroft has been significantly above national standards of achievement and progress in all areas.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Wicklea results, prior to Waycroft's sponsorship, were poor. In 2014/15 the KS2 SAT results improved by an average of 24% in English and Maths presenting as vastly improved value for money. In 2015/16 the results in most areas are above national averages. 2016-2017 show a dip in achievement to below national average. This cohort had lower KS1 results than last year – we await progress measures.

Woodlands results in Maths and SPAG were in line with National Averages, Reading and Writing showed rapid improvement in 2016.

In 2016-2017 Woodlands Academy continues to improve its standards particularly those pupils working at greater depth. Data was affected adversely due to 2 pupils joining Y6 just before the 2017 SATS and the fact that each pupil is worth 5%. Writing results doubled from 2015-2016.

The sustained standards and excellent reputation of Waycroft and the huge improvements in the quality of teaching and learning at Wicklea and Woodlands all demonstrate that, as a MAT, Waycroft provides excellent value for money. Wicklea and Woodlands had been in 'special measures' prior to Waycroft MAT sponsoring the schools.

Regular visits (3 in 2016-2017 by Waycroft's Internal Assurance visits, supplied by Bishop Fleming) and astute monitoring of all things financial by senior staff, Governors, Directors, Founding members and a highly qualified SBM result in all financial protocols and systems being followed.

Founding Members, Directors, Senior Leaders and Local Governing Body members are all kept informed of all matters financial across the 3 schools. Spending is prioritised according to need with children, teaching and learning (our core purpose) at the heart of all we do.

Our feedback from outside agencies, financial advisers and all MAT stakeholders indicate Waycroft Multi Academy Trust provided good value for money in 2016-2017.

Directors and Governors together with the SBM and senior leaders have also cross referenced Waycroft MAT spending against other similar organisations using Kreston benchmarking data. In all areas Waycroft compares favourably.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Waycroft Multi Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the LGB of each Academy within the MAT of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming Bath Limited, the external auditors, to perform additional checks.

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

- Review of the accounting system;
- Review of the income system;
- Review of the payroll system: and
- Review of the purchases system.

On a termly basis, the auditors report to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

No matters of significance were raised in this accounting period within the reports.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the external auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on **29/11/17** and signed on their behalf, by:



O Feeley
Chair of Trustees (outgoing)



T French
Accounting Officer

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Waycroft Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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.



**T French
Accounting Officer**

Date: 29/11/17

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued 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 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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:



O Feeley
Chair of Trustees (outgoing)

Date: 29/11/17

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WAYCROFT MULTI ACADEMY TRUST**

OPINION

We have audited the financial statements of Waycroft Multi Academy Trust for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2017 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 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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 Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WAYCROFT MULTI ACADEMY TRUST**

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 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust's or to cease operations, or have no realistic alternative but to do so.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WAYCROFT MULTI ACADEMY TRUST**

AUDITOR'S 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 Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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. The description forms part of our Auditor's report.



Simon Morrison FCA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date: 12/12/2017

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WAYCROFT
MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 18 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Waycroft Multi Academy Trust during the year 1 September 2016 to 31 August 2017 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 Waycroft Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Waycroft Multi Academy Trust and the 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 Waycroft Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF WAYCROFT MULTI ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Waycroft Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 July 2011, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WAYCROFT
MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morrison FCA (Reporting Accountant)

Bishop Fleming Bath Limited

Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: 12/12/2017

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017

| | Note | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Restricted fixed asset funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | | |
| Donations & capital grants: | | | | | | |
| Transfer from Local Authority on conversion | 2 | - | - | - | - | 1,821,169 |
| Other donations and capital grants | 2 | 11,855 | 66,227 | - | 78,082 | 399,446 |
| Charitable activities | 5 | 319,916 | 3,809,360 | - | 4,129,276 | 4,081,434 |
| Other trading activities | 3 | 26,885 | - | - | 26,885 | 22,600 |
| Investments | 4 | 647 | - | - | 647 | 1,057 |
| TOTAL INCOME | | 359,303 | 3,875,587 | - | 4,234,890 | 6,325,706 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | | 16,197 | - | - | 16,197 | 18,131 |
| Charitable activities | | 325,940 | 4,142,234 | 271,698 | 4,739,872 | 4,680,853 |
| TOTAL EXPENDITURE | 6 | 342,137 | 4,142,234 | 271,698 | 4,756,069 | 4,698,984 |
| NET INCOME / (EXPENDITURE) BEFORE TRANSFERS | | 17,166 | (266,647) | (271,698) | (521,179) | 1,626,722 |
| Transfers between Funds | 18 | - | (39,335) | 39,335 | - | - |
| NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES | | 17,166 | (305,982) | (232,363) | (521,179) | 1,626,722 |
| Actuarial gains/(losses) on defined benefit pension schemes | 23 | - | 57,000 | - | 57,000 | (744,000) |
| NET MOVEMENT IN FUNDS | | 17,166 | (248,982) | (232,363) | (464,179) | 882,722 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 342,847 | (1,731,880) | 8,259,155 | 6,870,122 | 5,987,400 |
| TOTAL FUNDS CARRIED FORWARD | | 360,013 | (1,980,862) | 8,026,792 | 6,405,943 | 6,870,122 |

The notes on pages 26 to 49 form part of these financial statements.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07683980

BALANCE SHEET
AS AT 31 AUGUST 2017

| | Note | £ | 2017 £ | £ | 2016 £ |
|---|------|--------------------|--------------------|--------------------|--------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 14 | | 8,002,969 | | 8,023,054 |
| CURRENT ASSETS | | | | | |
| Debtors | 15 | 119,650 | | 146,512 | |
| Cash at bank and in hand | | 649,060 | | 932,529 | |
| | | 768,710 | | 1,079,041 | |
| CREDITORS: amounts falling due within one year | 16 | (159,736) | | (183,973) | |
| NET CURRENT ASSETS | | | 608,974 | | 895,068 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 8,611,943 | | 8,918,122 |
| Defined benefit pension scheme liability | 23 | | (2,206,000) | | (2,048,000) |
| NET ASSETS | | | 6,405,943 | | 6,870,122 |
| FUNDS OF THE ACADEMY TRUST | | | | | |
| Restricted funds: | | | | | |
| General funds | 18 | 225,138 | | 316,120 | |
| Fixed asset funds | 18 | 8,026,792 | | 8,259,155 | |
| | | 8,251,930 | | 8,575,275 | |
| Restricted funds excluding pension liability | | | | | |
| Pension reserve | | (2,206,000) | | (2,048,000) | |
| Total restricted funds | | | 6,045,930 | | 6,527,275 |
| Unrestricted funds | 18 | | 360,013 | | 342,847 |
| TOTAL FUNDS | | | 6,405,943 | | 6,870,122 |

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue, on 25/11/17 and are signed on their behalf, by:



O Feeley
Chair of Trustees (outgoing)

The notes on pages 26 to 49 form part of these financial statements.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

| | Note | 2017 £ | 2016 £ |
|--|-------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 20 | (54,225) | (129,827) |
| Cash flows from investing activities: | | | |
| Interest received | | 647 | 1,057 |
| Proceeds from the sale of tangible fixed assets | | 2,320 | - |
| Purchase of tangible fixed assets | | (253,933) | (307,773) |
| Capital grants from DfE and other capital income | | 21,722 | 296,831 |
| Net cash used in investing activities | | (229,244) | (9,885) |
| Cash flows from conversion: | | | |
| Cash transferred on conversion to an academy trust | | - | 150,687 |
| Net cash provided by financing activities | | - | 150,687 |
| Change in cash and cash equivalents in the year | | (283,469) | 10,975 |
| Cash and cash equivalents brought forward | | 932,529 | 921,554 |
| Cash and cash equivalents carried forward | 21 | 649,060 | 932,529 |

The notes on pages 26 to 49 form part of these financial statements.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Waycroft Multi Academy Trust constitutes a public benefit entity as defined by 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.3 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

1.5 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

**WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|------------------------------|---|---|
| Freehold land | - | Not depreciated |
| Freehold property | - | 10-50 years straight line |
| Long term leasehold land | - | 125 years straight line, over the life of the lease |
| Long term leasehold property | - | 10-50 years straight line |
| Fixtures and fittings | - | 5 years straight line |
| Computer equipment | - | 3 years straight line |

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.

Freehold and Long Term Leasehold Property improvements are depreciated over a shorter life than the property itself.

1.7 OPERATING LEASES

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

1.8 TAXATION

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

1.9 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.11 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income/expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.13 FINANCIAL INSTRUMENTS

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis 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 15. 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 costs as detailed in note 16. 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 instruments.

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Restricted fixed asset funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|---|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Transfer from Local Authority on conversion | - | - | - | - | 1,821,169 |
| Donations | 11,855 | 44,505 | - | 56,360 | 102,615 |
| Capital Grants | - | 21,722 | - | 21,722 | 296,831 |
| | 11,855 | 66,227 | - | 78,082 | 399,446 |
| | 11,855 | 66,227 | - | 78,082 | 2,220,615 |
| <i>Total 2016</i> | 172,603 | (71,025) | 2,119,037 | 2,220,615 | |

3. OTHER TRADING ACTIVITIES

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Lettings | 7,365 | - | 7,365 | 5,425 |
| External Catering | 1,572 | - | 1,572 | 3,274 |
| Fees received | 17,948 | - | 17,948 | 13,901 |
| | 26,885 | - | 26,885 | 22,600 |
| <i>Total 2016</i> | 22,600 | - | 22,600 | |

4. INVESTMENT INCOME

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank interest | 647 | - | 647 | 1,057 |
| <i>Total 2016</i> | 1,057 | - | 1,057 | |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant | - | 3,217,327 | 3,217,327 | 3,055,456 |
| Other DfE/ESFA grants | - | 400,907 | 400,907 | 458,085 |
| | <u>-</u> | <u>3,618,234</u> | <u>3,618,234</u> | <u>3,513,541</u> |
| Other Government grants | | | | |
| High Needs | - | 102,394 | 102,394 | 123,326 |
| Other government grants | 226,573 | 88,732 | 315,305 | 349,461 |
| | <u>226,573</u> | <u>191,126</u> | <u>417,699</u> | <u>472,787</u> |
| Other funding | | | | |
| Internal catering income | 70,063 | - | 70,063 | 62,367 |
| Other | 23,280 | - | 23,280 | 32,739 |
| | <u>93,343</u> | <u>-</u> | <u>93,343</u> | <u>95,106</u> |
| | <u>319,916</u> | <u>3,809,360</u> | <u>4,129,276</u> | <u>4,081,434</u> |
| <i>Total 2016</i> | <u>371,434</u> | <u>3,710,000</u> | <u>4,081,434</u> | |

6. EXPENDITURE

| | Staff costs 2017 £ | Premises 2017 £ | Other costs 2017 £ | Total 2017 £ | Total 2016 £ |
|-----------------------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Expenditure on trading activities | 16,197 | - | - | 16,197 | 18,131 |
| Education: | | | | | |
| Direct costs | 2,992,321 | 274,018 | 198,853 | 3,465,192 | 3,429,936 |
| Support costs | 605,662 | 174,398 | 494,620 | 1,274,680 | 1,250,917 |
| | <u>3,614,180</u> | <u>448,416</u> | <u>693,473</u> | <u>4,756,069</u> | <u>4,698,984</u> |
| <i>Total 2016</i> | <u>3,485,438</u> | <u>367,657</u> | <u>845,889</u> | <u>4,698,984</u> | |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. DIRECT COSTS

| | Total 2017 £ | Total 2016 £ |
|------------------------------------|--------------------|--------------------|
| Pension finance costs | 25,841 | 27,718 |
| Educational supplies | 95,780 | 134,368 |
| Educational visits and other costs | 68,705 | 91,943 |
| Supply teachers | 18,327 | 67,630 |
| Educational consultancy | 8,527 | 8,419 |
| Wages and salaries | 2,310,943 | 2,337,447 |
| National insurance | 192,028 | 164,236 |
| Pension cost | 471,023 | 349,044 |
| Depreciation | 274,018 | 249,131 |
| | <u>3,465,192</u> | <u>3,429,936</u> |
| <i>Total 2016</i> | <u>3,429,936</u> | |

8. SUPPORT COSTS

| | Total 2017 £ | Total 2016 £ |
|---|--------------------|--------------------|
| Pension finance costs | 19,159 | 20,282 |
| Staff development | 13,486 | 14,805 |
| Other costs | 40,788 | 65,000 |
| Recruitment and support | 3,545 | 5,461 |
| Maintenance of premises and equipment | 83,623 | 130,377 |
| Cleaning | 8,153 | 6,191 |
| Rent and rates | 32,973 | 24,755 |
| Energy costs | 49,649 | 38,701 |
| Insurance | 77,979 | 81,173 |
| Security and transport | 26,763 | 23,683 |
| Catering | 115,862 | 118,322 |
| Technology costs | 43,586 | 21,972 |
| Office overheads | 39,212 | 43,971 |
| Legal and professional | 93,735 | 78,912 |
| Bank interest and charges | 2,175 | 1,814 |
| (Profit) / Loss on disposal of fixed assets | (2,320) | - |
| Governance | 20,650 | 26,006 |
| Wages and salaries | 420,344 | 431,138 |
| National insurance | 24,105 | 19,374 |
| Pension cost | 161,213 | 98,980 |
| | <u>1,274,680</u> | <u>1,250,917</u> |
| <i>Total 2016</i> | <u>1,250,917</u> | |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

9. NET INCOME/(EXPENDITURE) FOR THE PERIOD

This is stated after charging:

| | 2017 | 2016 |
|---|----------------|-------------|
| | £ | £ |
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 274,018 | 249,131 |
| Auditors' remuneration - audit | 9,950 | 9,750 |
| Auditors' remuneration - other services | 5,475 | 4,100 |
| Operating lease rentals | 12,062 | 9,651 |
| | <hr/> <hr/> | <hr/> <hr/> |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS

Staff costs were as follows:

| | 2017 £ | 2016 £ |
|---------------------------|-------------------------|-------------------------|
| Wages and salaries | 2,741,086 | 2,778,885 |
| Social security costs | 216,349 | 183,741 |
| Pension costs | 633,427 | 449,522 |
| | <u>3,590,862</u> | <u>3,412,148</u> |
| Supply teacher costs | 18,327 | 67,630 |
| Staff restructuring costs | 4,991 | 5,660 |
| | <u><u>3,614,180</u></u> | <u><u>3,485,438</u></u> |

Included in staff restructuring costs are three (2016: one) non-contractual severance payments totalling £3,974 (2016: £5,660). Individually the payments are £1,250, £1,154 and £1,570. The payments have been funded through General Annual Grant (GAG) funding.

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

| | 2017 No. | 2016 No. |
|--|-------------|-------------|
| Management | 9 | 10 |
| Teachers | 40 | 39 |
| Administrative and other support staff | 118 | 120 |
| | <u>167</u> | <u>169</u> |

Average headcount expressed as a full time equivalent:

| | 2017 No. | 2016 No. |
|--|-------------|-------------|
| Management | 9 | 10 |
| Teachers | 35 | 35 |
| Administrative and other support staff | 69 | 65 |
| | <u>113</u> | <u>110</u> |

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

| | 2017 No. | 2016 No. |
|-------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 0 | 1 |
| In the band £70,001 - £80,000 | 1 | 0 |
| In the band £80,001 - £90,000 | 0 | 1 |

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2017, pension contributions for these members amounted to £12,477 (2016: £24,129).

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS (continued)

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £545,643 (2016: £508,407).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any benefits in kind (2016: £NIL).

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016: £405 to 4 Trustees).

Principal and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal or staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees.

The value of Trustees' remuneration including pension contributions in the year was as follows; S Sage: Remuneration £75,000 - £80,000 (2016: £65,000 - £70,000), Employer pension contributions £10,000 - £15,000 (2016: £10,000 - £15,000), M Morgan: Remuneration £45,000 - £50,000 (2016: £45,000 - £50,000), Employer pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000), L Craig: Remuneration £50,000 - £55,000 (2016: £45,000 - £50,000), Employer pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000), H Morris: Remuneration £50,000 - £55,000 (2016: £45,000 - £50,000), Employer pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000).

Other related party transactions involving the trustees are set out in Note 25.

12. CENTRAL SERVICES

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2017 was £2,480 (2016: £4,109).

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

14. TANGIBLE FIXED ASSETS

| | Freehold property £ | Long Term Leasehold Property £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|---------------------------|---|-------------------------------|----------------------------|------------|
| COST | | | | | |
| At 1 September 2016 | 1,843,482 | 6,708,199 | 102,632 | 209,499 | 8,863,812 |
| Additions | - | 223,188 | 25,745 | 5,000 | 253,933 |
| Disposals | - | - | - | (7,196) | (7,196) |
| At 31 August 2017 | 1,843,482 | 6,931,387 | 128,377 | 207,303 | 9,110,549 |
| DEPRECIATION | | | | | |
| At 1 September 2016 | 29,907 | 577,399 | 69,568 | 163,884 | 840,758 |
| Charge for the year | 29,907 | 210,165 | 12,544 | 21,402 | 274,018 |
| On disposals | - | - | - | (7,196) | (7,196) |
| At 31 August 2017 | 59,814 | 787,564 | 82,112 | 178,090 | 1,107,580 |
| NET BOOK VALUE | | | | | |
| At 31 August 2017 | 1,783,668 | 6,143,823 | 46,265 | 29,213 | 8,002,969 |
| At 31 August 2016 | 1,813,575 | 6,130,800 | 33,064 | 45,615 | 8,023,054 |

15. DEBTORS

| | 2017 £ | 2016 £ |
|--------------------------------|----------------|----------------|
| VAT recoverable | 20,828 | 25,736 |
| Other debtors | 1,071 | 1,689 |
| Prepayments and accrued income | 97,751 | 119,087 |
| | 119,650 | 146,512 |

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 £ | 2016 £ |
|------------------------------|----------------|----------------|
| Trade creditors | - | 13,942 |
| Taxation and social security | 49,821 | 56,499 |
| Other creditors | 13,166 | 84 |
| Accruals and deferred income | 96,749 | 113,448 |
| | 159,736 | 183,973 |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

| | 2017 £ | 2016 £ |
|--------------------------------------|---------------|----------------|
| DEFERRED INCOME | | |
| Deferred income at 1 September 2016 | 102,250 | 50,398 |
| Resources deferred during the year | 77,493 | 102,250 |
| Amounts released from previous years | (102,250) | (50,398) |
| | <u>77,493</u> | <u>102,250</u> |
| Deferred income at 31 August 2017 | <u>77,493</u> | <u>102,250</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals and educational visits relating to the 2017/18.

17. FINANCIAL INSTRUMENTS

| | 2017 £ | 2016 £ |
|--|----------------|----------------|
| Financial assets measured at amortised cost | <u>679,420</u> | <u>964,798</u> |
| Financial liabilities measured at amortised cost | <u>14,483</u> | <u>25,140</u> |

Financial assets measured at amortised cost comprise other debtors, accrued income and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS

| | Brought forward £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 August 2017 £ |
|--|----------------------|------------------|--------------------|----------------------------|-------------------------|--------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| General funds | 342,847 | 359,303 | (342,137) | - | - | 360,013 |
| RESTRICTED FUNDS | | | | | | |
| | Brought forward £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 August 2017 £ |
| General Annual Grant (GAG) | 316,120 | 3,217,327 | (3,273,134) | (35,175) | - | 225,138 |
| Pupil Premium | - | 305,145 | (305,145) | - | - | - |
| Universal Infant Free School Meals (UIFSM) | - | 68,172 | (68,172) | - | - | - |
| Devolved Formula Capital | - | 21,722 | (21,722) | - | - | - |
| PE Sport grants | - | 27,590 | (27,590) | - | - | - |
| High needs | - | 102,394 | (102,394) | - | - | - |
| Growth funding | - | 79,499 | (79,499) | - | - | - |
| Other Local Authority grants | - | 9,233 | (9,233) | - | - | - |
| Educational visits | - | 40,045 | (40,045) | - | - | - |
| Other donations | - | 4,460 | (300) | (4,160) | - | - |
| Pension reserve | (2,048,000) | - | (215,000) | - | 57,000 | (2,206,000) |
| | <u>(1,731,880)</u> | <u>3,875,587</u> | <u>(4,142,234)</u> | <u>(39,335)</u> | <u>57,000</u> | <u>(1,980,862)</u> |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

| | Brought forward £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 August 2017 £ |
|--|-------------------------|------------------|--------------------|----------------------------|-------------------------|--------------------------------------|
| Fixed assets transferred on conversion | 6,753,648 | - | (82,896) | - | - | 6,670,752 |
| Fixed assets purchased from GAG and other restricted funds | 208,042 | - | (74,884) | 39,335 | - | 172,493 |
| DfE/EFA Capital grants | 1,386 | - | (1,386) | - | - | - |
| Capital Maintenance Fund | 891,711 | - | (108,349) | - | - | 783,362 |
| Condition Improvement Fund | 264,238 | - | (2,322) | - | - | 261,916 |
| Early Years Grant | 122,047 | - | - | - | - | 122,047 |
| Local Authority Capital funding | 18,083 | - | (1,861) | - | - | 16,222 |
| | <u>8,259,155</u> | <u>-</u> | <u>(271,698)</u> | <u>39,335</u> | <u>-</u> | <u>8,026,792</u> |
| Total restricted funds | <u>6,527,275</u> | <u>3,875,587</u> | <u>(4,413,932)</u> | <u>-</u> | <u>57,000</u> | <u>6,045,930</u> |
| Total of funds | <u>6,870,122</u> | <u>4,234,890</u> | <u>(4,756,069)</u> | <u>-</u> | <u>57,000</u> | <u>6,405,943</u> |

STATEMENT OF FUNDS - PRIOR YEAR

| | Brought forward £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 August 2016 £ |
|---------------------------|-------------------------|----------------|------------------|----------------------------|-------------------------|--------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| General funds | 323,037 | 567,694 | (547,884) | - | - | 342,847 |
| | <u>323,037</u> | <u>567,694</u> | <u>(547,884)</u> | <u>-</u> | <u>-</u> | <u>342,847</u> |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

| | Balance at 1 September 2015 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 August 2016 £ |
|---|--|------------------|--------------------|----------------------------|-------------------------|--------------------------------------|
| General Annual Grant (GAG) | 302,444 | 3,055,456 | (2,960,259) | (81,521) | - | 316,120 |
| Educational visits | - | 63,699 | (63,699) | - | - | - |
| Donations | - | 17,000 | (17,000) | - | - | - |
| Healthy schools grant | 605 | - | (605) | - | - | - |
| Devolved Formula Capital | - | 21,276 | (21,276) | - | - | - |
| Pupil Premium | - | 298,607 | (298,607) | - | - | - |
| PE Sport grant | - | 27,350 | (27,350) | - | - | - |
| Academy sponsor grant | 102,586 | 62,500 | (165,086) | - | - | - |
| Universal Infant Free School Meals (UIFSM) | - | 69,628 | (69,628) | - | - | - |
| High needs | - | 123,326 | (123,326) | - | - | - |
| Growth funding | - | 64,908 | (64,908) | - | - | - |
| Other Local Authority grants | - | 8,225 | (8,225) | - | - | - |
| Pension reserve | (1,049,000) | (173,000) | (82,000) | - | (744,000) | (2,048,000) |
| | <u>(643,365)</u> | <u>3,638,975</u> | <u>(3,901,969)</u> | <u>(81,521)</u> | <u>(744,000)</u> | <u>(1,731,880)</u> |

RESTRICTED FIXED ASSET FUNDS

| | Balance at 1 September 2015 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 August 2016 £ |
|--|--|------------------|--------------------|----------------------------|-------------------------|--------------------------------------|
| Fixed assets transferred on conversion | 5,043,127 | 1,843,482 | (132,961) | - | - | 6,753,648 |
| Fixed assets purchased from GAG and other restricted funds | 166,114 | - | (39,593) | 81,521 | - | 208,042 |
| DfE/ESFA Capital grants | 16,861 | - | (15,475) | - | - | 1,386 |
| Capital Maintenance Fund | 948,765 | - | (57,054) | - | - | 891,711 |
| Condition Improvement Fund | 34,406 | 233,273 | (3,441) | - | - | 264,238 |
| Early Years Grant | 98,455 | 23,592 | - | - | - | 122,047 |
| Local Authority Capital funding | - | 18,690 | (607) | - | - | 18,083 |
| | <u>6,307,728</u> | <u>2,119,037</u> | <u>(249,131)</u> | <u>81,521</u> | <u>-</u> | <u>8,259,155</u> |
| Total restricted funds | <u>5,664,363</u> | <u>5,758,012</u> | <u>(4,151,100)</u> | <u>-</u> | <u>(744,000)</u> | <u>6,527,275</u> |
| Total of funds | <u>5,987,400</u> | <u>6,325,706</u> | <u>(4,698,984)</u> | <u>-</u> | <u>(744,000)</u> | <u>6,870,122</u> |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS (continued)

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

RESTRICTED FUNDS

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

Pupil premium funding represents amounts received from the ESFA to cater for disadvantaged pupils.

Universal Infant Free School Meals funding represents income received from the ESFA to provide all pupils in Years reception, 1 and 2 with free school meals.

Devolved Formula Capital grant represents funding received from the ESFA during the period in order to cover the purchase and maintenance of the Academy Trust's assets.

The PE grant is funding from the ESFA to assist with the provision of physical education within the Academy Trust.

High needs funding is received from Bristol City Council to cater for pupils with learning difficulties and other disabilities.

The LA Growth Fund represents amounts received from Bristol City Council to support the expansion of Waycroft Academy.

Other Local Authority grants includes pupil premium funding received from the local authority.

Educational visits relates to contributions received by parents towards the cost of specific educational visits in the period.

Donations represents voluntary income received in the year for specific purposes. Transfers out of this fund represent donations that were spent on fixed asset purchases.

Healthy schools grant is funding from Bristol City Council and the NHS to enable the Academy Trust to be proactive in encouraging pupil wellbeing.

The Academy Sponsor Grant is funding from the ESFA to support Wicklea and Woodlands Academy.

Pension reserve represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which were inherited on conversion to an Academy. The Academy Trust is following the recommendations of an actuary to reduce the deficit by making additional contributions over a number of years.

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from Bristol City Council on conversion to an Academy.

Fixed assets purchased from GAG represent amounts spent on fixed assets from the GAG funding received from the ESFA.

DfE/ESFA Capital grants represents devolved capital funding spent on fixed assets.

Capital Maintenance grant represents funding received from the Academies Capital Maintenance Fund.

Condition Improvement Fund grant represents funding received from the ESFA to improve the condition of the Academy Trust.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS (continued)

Early Years Grant represents funding received from Bristol City Council to improve facilities for early years students.

Local Authority Capital funding represents funding received from the Bristol City Council for the purchase of a new fixed assets.

TRANSFERS BETWEEN FUNDS

The transfer from the restricted fund to the restricted fixed asset fund represents the total capital expenditure from General Annual Grant (GAG) during the period.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

| | Total 2017 £ | Total 2016 £ |
|---|-----------------------------|-----------------------------|
| Waycroft Academy | 483,001 | 477,098 |
| Wicklea Academy | (565) | 28,788 |
| Woodlands Academy | 102,715 | 153,081 |
| | <hr/> | <hr/> |
| Total before fixed asset fund and pension reserve | 585,151 | 658,967 |
| Restricted fixed asset fund | 8,026,792 | 8,259,155 |
| Pension reserve | (2,206,000) | (2,048,000) |
| | <hr/> | <hr/> |
| Total | 6,405,943 | 6,870,122 |
| | <hr/> <hr/> | <hr/> <hr/> |

The following academy is carrying a net deficit on its portion of the funds as follows:

| | Amount of deficit £ |
|-----------------|--------------------------------|
| Wicklea Academy | 565 |

During the year the Local Authority unexpectedly cut the High Needs and Growth funding for all schools within the Trust. This has resulted in a deficit for the year, and therefore a small negative carry forward for Wicklea Academy.

The Board are reviewing Wicklea's ongoing budget for this reduced funding to ensure that it is self sufficient in future years.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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 2017 £ | Total 2016 £ |
|-------------------|---|--------------------------------|---------------------------|---|------------------|------------------|
| Waycroft Academy | 1,504,987 | 327,676 | 43,263 | 357,089 | 2,233,015 | 2,385,849 |
| Wicklea Academy | 816,191 | 158,431 | 34,492 | 234,679 | 1,243,793 | 1,169,940 |
| Woodlands Academy | 671,143 | 135,752 | 18,025 | 182,643 | 1,007,563 | 894,064 |
| | <u>2,992,321</u> | <u>621,859</u> | <u>95,780</u> | <u>774,411</u> | <u>4,484,371</u> | <u>4,449,853</u> |

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Restricted fixed asset funds 2017 £ | Total funds 2017 £ |
|-------------------------------|---------------------------------|-------------------------------|---|--------------------------|
| Tangible fixed assets | - | - | 8,002,969 | 8,002,969 |
| Current assets | 360,013 | 384,874 | 23,823 | 768,710 |
| Creditors due within one year | - | (159,736) | - | (159,736) |
| Pension scheme liability | - | (2,206,000) | - | (2,206,000) |
| | <u>360,013</u> | <u>(1,980,862)</u> | <u>8,026,792</u> | <u>6,405,943</u> |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ |
|-------------------------------|---------------------------------|-------------------------------|---|--------------------------|
| Tangible fixed assets | - | - | 8,023,054 | 8,023,054 |
| Current assets | 342,453 | 500,487 | 236,101 | 1,079,041 |
| Creditors due within one year | 394 | (184,367) | - | (183,973) |
| Pension scheme liability | - | (2,048,000) | - | (2,048,000) |
| | <u>342,847</u> | <u>(1,731,880)</u> | <u>8,259,155</u> | <u>6,870,122</u> |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2017 £ | 2016 £ |
|--|-----------------|------------------|
| Net (expenditure)/income for the year (as per Statement of Financial Activities) | (521,179) | 1,626,722 |
| Adjustment for: | | |
| Depreciation charges | 274,018 | 249,132 |
| Interest received | (647) | (1,057) |
| Profit on the sale of fixed assets | (2,320) | - |
| Decrease/(increase) in debtors | 26,862 | (9,227) |
| (Decrease)/increase in creditors | (24,237) | 40,603 |
| Capital grants from DfE and other capital income | (21,722) | (296,831) |
| Defined benefit pension scheme cost less contributions payable | 170,000 | 34,000 |
| Defined benefit pension scheme finance cost | 45,000 | 48,000 |
| Net (loss) on assets and liabilities from local authority on conversion | - | (1,821,169) |
| Net cash used in operating activities | (54,225) | (129,827) |

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2017 £ | 2016 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 649,060 | 932,529 |
| | 649,060 | 932,529 |

22. CAPITAL COMMITMENTS

At 31 August 2017 the Academy Trust had capital commitments as follows:

| | 2017 £ | 2016 £ |
|---|-----------|-----------|
| Contracted for but not provided in these financial statements | 10,053 | 10,964 |

At the balance sheet date the Academy Trust was committed to further costs in relation to completion of access improvement works at Woodlands Academy.

23. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bath and North East Somerset Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £247,741 (2016: £232,522).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £275,000 (2016: £275,000), of which employer's contributions totalled £215,000 (2016: £217,000) and employees' contributions totalled £60,000 (2016: £58,000). The agreed contribution rates for future years are 15.7% for employers and 5.8% 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:

| | 2017 | 2016 |
|--|--------|--------|
| Discount rate for scheme liabilities | 2.41 % | 2.11 % |
| Rate of increase in salaries | 3.70 % | 3.31 % |
| Rate of increase for pensions in payment / inflation | 2.20 % | 1.91 % |
| Inflation assumption (CPI) | 2.20 % | 1.81 % |

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

| | 2017 | 2016 |
|----------------------|------|------|
| Retiring today | | |
| Males | 23.5 | 23.5 |
| Females | 26.0 | 26.0 |
| Retiring in 20 years | | |
| Males | 26.0 | 25.9 |
| Females | 28.7 | 28.9 |

| | At 31 August 2017 £ | At 31 August 2016 £ |
|--|---------------------------|---------------------------|
| Sensitivity analysis | | |
| Discount rate +0.1% | 81,000 | 65,000 |
| Mortality assumption - 1 year increase | (65,000) | (53,000) |
| CPI rate +0.1% | (85,000) | (66,000) |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

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

| | Fair value at 31 August 2017 £ | Fair value at 31 August 2016 £ |
|-------------------------------------|---|---|
| Equities | 692,000 | 492,000 |
| Government bonds | 156,000 | 119,000 |
| Property | 123,000 | 95,000 |
| Cash | 51,000 | (4,000) |
| Other bonds | 108,000 | 94,000 |
| Other | 268,000 | 180,000 |
| Total market value of assets | 1,398,000 | 976,000 |

The actual return on scheme assets was £98,000 (2016: £113,000).

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

| | 2017 £ | 2016 £ |
|---------------------------------------|-------------------|-------------------|
| Current service cost | (384,000) | (251,000) |
| Interest income | 18,000 | 24,000 |
| Interest cost | (63,000) | (72,000) |
| Total | (429,000) | (299,000) |
| Actual return on scheme assets | 98,000 | 113,000 |

Movements in the present value of the defined benefit obligation were as follows:

| | 2017 £ | 2016 £ |
|---|-------------------|-------------------|
| Opening defined benefit obligation | 3,024,000 | 1,653,000 |
| Current service cost | 384,000 | 251,000 |
| Interest cost | 63,000 | 72,000 |
| Employee contributions | 60,000 | 58,000 |
| Actuarial losses | 84,000 | 830,000 |
| Benefits paid | (12,000) | (13,000) |
| Liabilities assumed in a business combination | - | 173,000 |
| Closing defined benefit obligation | 3,603,000 | 3,024,000 |

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

Movements in the fair value of the Academy Trust's share of scheme assets:

| | 2017 £ | 2016 £ |
|-------------------------------------|------------------|----------------|
| Opening fair value of scheme assets | 976,000 | 604,000 |
| Interest income | 23,000 | 29,000 |
| Actuarial losses | 141,000 | 86,000 |
| Employer contributions | 215,000 | 217,000 |
| Employee contributions | 60,000 | 58,000 |
| Benefits paid | (12,000) | (13,000) |
| Administration expenses | - | (5,000) |
| | <u>1,403,000</u> | <u>976,000</u> |
| Closing fair value of scheme assets | <u>1,403,000</u> | <u>976,000</u> |

24. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2017 £ | 2016 £ |
|-------------------------|---------------|---------------|
| AMOUNTS PAYABLE: | | |
| Within 1 year | 10,353 | 10,135 |
| Between 1 and 5 years | 17,638 | 21,084 |
| Total | <u>27,991</u> | <u>31,219</u> |

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisation, it is likely that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No such transactions have occurred during the current period.

26. GENERAL INFORMATION

Waycroft Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Waycroft Academy, Selden Road, Stockwood, Bristol, BS14 8PS.

WAYCROFT MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

27. MEMBERS' LIABILITY

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