

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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<b>Members</b>	P Cottrell K Edenborough M Rogers
<b>Trustees</b>	C Atkin (appointed 17 October 2016) Z Barnes (appointed 1 September 2016) <sup>2</sup> E Beese (appointed 17 October 2016) P Black <sup>1</sup> C Blackwood (appointed 1 September 2016) <sup>2</sup> A Bowden <sup>1,4</sup> K Bright (appointed 1 September 2016) <sup>2</sup> J Clements (appointed 1 September 2016) <sup>2</sup> P Cottrell <sup>4</sup> L Craig, Head of Waycroft Academy (appointed 1 October 2015) <sup>1</sup> K Edenborough <sup>4</sup> O Feeley, Chair <sup>1,4</sup> D Knight <sup>2,4</sup> A Laity (appointed 1 October 2015) <sup>3,4</sup> G Lynn (appointed 1 September 2016) <sup>1</sup> M Morgan, Head of Wicklea Academy <sup>2</sup> H Morris, Head of Woodlands Academy (appointed 1 October 2015) <sup>3</sup> C Osborne (appointed 1 September 2016) <sup>1</sup> T Passingham (appointed 1 September 2016) <sup>3</sup> M Rogers <sup>4</sup> S Rowe, Executive Principal (resigned 31 August 2016) <sup>1,2,3</sup> A Sage (appointed 17 October 2016) S Sage, Executive Headteacher <sup>1,2,3</sup> A Scully (appointed 1 September 2016) <sup>3</sup>

- <sup>1</sup> Waycroft Academy Local Governing Body
- <sup>2</sup> Wicklea Academy Local Governing Body
- <sup>3</sup> Woodlands Academy Local Governing Body
- <sup>4</sup> Finance Committee

<b>Company registered number</b>	07683980
<b>Company name</b>	Waycroft Multi Academy Trust
<b>Principal and Registered office</b>	Selden Road Stockwood Bristol BS14 8PS
<b>Company secretary</b>	P Warburton
<b>Accounting officer</b>	S Sage

<b>Senior Leadership Team</b>	S Rowe, Executive Principal (retired 31 August 2016) S Sage, Executive Headteacher 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
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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Advisers (continued)**

<b>Independent auditors</b>	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER
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<b>Bankers</b>	Lloyds Bank PLC 102 Regent Street Kingswood Bristol BS15 8HT
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<b>Solicitors</b>	Browne Jacobson LLP 44 Castle Gate Nottingham NG1 7BJ
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**WAYCROFT MULTI ACADEMY TRUST  
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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates two academies for pupils aged 3 to 11 (Woodlands and Waycroft) and one academy for pupils aged 7 to 11 (Wicklea) in the Bristol area. It has a combined pupil roll of 811 in the school census on 15 January 2016.

**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 (the MAT) are also the directors of the charitable company for the purposes of company law.

Details of the Trustees 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 cease to be a member.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees 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 Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees 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 Trustees 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 has purchased insurance to protect Trustees from claims arising from negligent acts, errors or omissions occurring whilst on Academy 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 Principal (Simon Rowe), 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 Trustee (Pat Black). There are Eight 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/Directors of Waycroft MAT.

On 31 August 2016 Simon Rowe resigned as Executive Principal, without replacement in the role. From 1 September 2016 Stella Sage is 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  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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

From 1 September 2016 members of the three academy Local Governing Body's have become Trustees of the MAT.

When appointing new Trustees/Directors, the Founding members will give consideration to the skills and experience mix of existing Trustees 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 Trustees 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 Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. To reduce photocopying volume much of the documentation is available electronically. As there are normally very few Trustee changes in a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

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

**Organisational Structure**

The Trustees/Directors meet at least once each term, a minimum of six times per year. Founding Members are also invited to attend each of these six meetings as well as an annual meeting which includes: Founding Members, Trustees/Directors and all LGB members.

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 LGB's through the minutes of their meetings and verbal reports from the Heads of School. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

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

LGB meetings follow a pattern of standing agendas, with minutes produced by the LGB Clerk (Peter Huston).

A Pay Review Committee is formed as and when necessary, comprising of the LGB Chairs and Waycroft Vice Chair this meets as and when required. Supported with salary information by the MAT SBM (Pauline Warburton).

The following decisions are reserved to the Board of Trustees; 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 Trustees/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 Trustees have devolved responsibility for day to day management of the MAT to the Executive Headteacher and other senior leaders.

**WAYCROFT MULTI ACADEMY TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The MAT SLT comprised of the Executive Principal (Simon Rowe), 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 Principal, 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 Principal and Executive Headteacher are responsible for the appointment of staff; though appointment panels for teaching posts always include an LGB member or Trustee, often an LGB Chair.

The Executive Headteacher is the Accounting Officer.

**Connected Organisations, including Related Party Relationships**

The Academy 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 Trustees. 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.

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.

Waycroft and Wicklea Academies both have 'Friends' Committees which are groups of volunteer parents and carers, affiliated to the National Parent Teacher Association and registered charities. These two groups of volunteers work with Waycroft and Wicklea staff to organise fund raising and social events for MAT 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 3 and 11 at Waycroft and Woodlands, and 7 and 11 at Wicklea.

The aims of the Academy Trust during the year ended 31 August 2016 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.

### **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. It is regularly monitored by all staff, governors and the MAT School Improvement Adviser.



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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the 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. Waycroft is a National Support School (NSS) and Simon Rowe (Executive Principal) is a National Leader of Education (NLE).

**STRATEGIC REPORT**

**Achievements and Performance**

Waycroft Academy is in its fifth year of operation and has matched the forecast number of pupils. The total number of students in the year ended 31 August 2016 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 12 years, representing good value for money and helping children to be the best they can be. Wicklea Academy KS2 SAT scores rose by approximately 24% within 12 months of the school becoming part of Waycroft MAT. Senior leaders, Trustees and Founding Members all feel this provides further evidence of the impact the organisation is having on pupils' life chances. The results for 2015-16 in all 3 academies are based on the new Primary Assessment systems.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

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

All Trustees give their time freely and no Trustee received remuneration in the year for their work as a Trustee. Details of any Trustees' 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 Headteacher appraises all members of the SLT and makes recommendations to the Board of Trustees regarding scale point changes. The appraisal of the Executive Headteacher is carried out by a panel of Trustees and approved by the full Board of Trustees.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

<b>No of children in the cohort - 63</b>	<b>2016 Waycroft Academy - % of pupils achieving the expected standard</b>	<b>2016 National Average Results - % of pupils achieving the expected standard</b>	<b>2016 Waycroft Average scaled score (not including pupils who did not take the test)</b>	<b>2016 National Average scaled score (not including pupils who did not take the test)</b>
Reading	87%	66%	107	103
Greater Depth	37%	19%		
SPAG	87%	72%	108.9	104
Greater Depth	44%	23%		
Writing (Teacher Assessment)	81%	74%	N/A	N/A
Greater Depth	27%	15%		
Maths	92%	70%	108.8	103
Greater Depth	42%	17%		
Reading, Writing & Maths Combined	78%	53%	N/A	N/A
Greater Depth	16%			
<b>No of children in the cohort - 41</b>	<b>2016 Wicklea Academy - % of pupils achieving the expected standard</b>	<b>2016 National Average Results - % of pupils achieving the expected standard</b>	<b>2016 Wicklea Average scaled score (not including pupils who did not take the test)</b>	<b>2016 National Average scaled score (not including pupils who did not take the test)</b>
Reading	80%	66%	104.5	103
Greater Depth	20%	19%		
SPAG	85%	72%	105.9	104
Greater Depth	27%	23%		
Writing (Teacher Assessment)	66%	74%	N/A	N/A
Greater Depth	5%	15%		
Maths	80%	70%	105.4	103
Greater Depth	27%	17%		
Reading, Writing & Maths Combined	61%	53%	N/A	N/A
Greater Depth	2%			
<b>No of children in the cohort - 23</b>	<b>2016 Woodlands Academy - % of pupils achieving the expected standard</b>	<b>2016 National Average Results - % of pupils achieving the expected standard</b>	<b>2016 Woodlands Average scaled score (not including pupils who did not take the test)</b>	<b>2016 National Average scaled score (not including pupils who did not take the test)</b>
Reading	57%	66%	94.6	103
Greater Depth	13%	19%		
SPAG	65%	72%	100.8	104
Greater Depth	13%	23%		
Writing (Teacher Assessment)	26.1%	74%	N/A	N/A
Greater Depth	0%	15%		
Maths	65%	70%	101.8	103
Greater Depth	22%	17%		
Reading, Writing & Maths Combined	26.1%	53%	N/A	N/A
Greater Depth	0%			

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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

During the year, the MAT made a successful bid for funding from the Condition Improvement Fund (CIF) to improve the front access/entrance to Woodlands Academy. The project has been funded for the sum of £233,273 and planning permission has been granted for the project. Work is to be completed in the next academic year.

The new Nursery for 2 year olds at Waycroft Academy was due to open in January 2016 but this was delayed and 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.

The MAT also received CIF (Condition Improvement Funding) to build a new covered area for Waycroft Academy Nursery children, completed at the end of August 2015. The project grant was £35,000.

**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 2016 this was 83%, compared to 73% in 2015.

**Financial Review**

Most of the Academy's income is obtained from the DfE via the EFA 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 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy 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's accounting policies.

During the year ended 31 August 2016, total expenditure of £4,449,853 was not covered by recurrent grant funding from the DfE, together with other incoming resources of £4,206,669. The deficit of income compared with expenditure for the year (excluding restricted fixed asset funds) was £243,184.

At 31 August 2016 the net book value of fixed assets was £8,023,054 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.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 24 to the financial statements.

### **Reserves Policy**

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees 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 Trustees 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 amount to £6,870,122, although £6,211,155 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £ 658,967 (representing £342,847 unrestricted funds and £316,120 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 1.8 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.

### **Investment Policy**

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Executive Principal and Executive Business Manager within strict guidelines approved by the Board of Trustees.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees 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 are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 90% (2015: 96%) of the Academy'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's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

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

**Safeguarding, child protection and "prevent"** - the Trustees 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 Trustees 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 a Responsible Officer/internal audit to carry out 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.

**WAYCROFT MULTI ACADEMY TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The MAT has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees 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 Trustees 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 Trustees 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 Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**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, 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 (Pauline Warburton).

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.

**AUDITORS**

In so far as the Trustees are aware:

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

7 December 2016



**O Feeley**  
Chair of Trustees



## **GOVERNANCE STATEMENT**

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### **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 3 times during the year. The attendance during the year at these meetings of the Board of Trustees are as follows:

Trustee	Meetings attended	Out of a possible
P Black	1	3
A Bowden	3	3
P Cottrell	3	3
L Craig	3	3
K Edenborough	2	3
O Feeley	3	3
D Knight	3	3
A Laity	2	3
M Morgan	3	3
H Morris	3	3
M Rogers	3	3
S Rowe, Executive Principal	3	3
S Sage, Executive Headteacher	3	3

During the year ending 31 August 2016 Waycroft MAT successfully managed a change to the Board of Trustees, being the resignation of Executive Principal Simon Rowe. A number of new Trustees were appointed following the year end, whereby individual academy LBG members were appointed to the Board of Trustees.

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

**GOVERNANCE STATEMENT (continued)**

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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 2 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
P Black	1	1
A Bowden	1	1
P Cottrell	1	2
K Edenborough	2	2
O Feeley	2	2
D Knight	1	1
A Laity	1	1
M Rogers	2	2

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
P Black	0	3
A Bowden	0	3
P Cottrell	0	3
L Craig	2	3
K Edenborough	1	3
O Feeley	1	3
D Knight	1	3
A Laity	0	3
M Morgan	2	3
H Morris	1	3
M Rogers	2	3
S Rowe	2	3
S Sage	3	3

**GOVERNANCE STATEMENT (continued)**

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**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 2015/16 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.

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.

Both Bristol City Council and the DfE who brokered the sponsorship of Wicklea were very pleased with the improvement.

- Woodlands results in Maths and SPAG are in line with National Averages, Reading and Writing shows rapid improvement and remains a development target for next year.

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 school.

- Regular visits (3 in 2015/16 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.

Waycroft MAT, as well as using allocated funds wisely, has also attracted additional funding for specific projects. 2015/2016 saw the completion of the new Nursery for 2 year olds at Waycroft (£100k grant from Early Years, plus £25k for resources and £10k to support staffing). Waycroft MAT were also successful in obtaining funding for a canopy outside of the Nursery at Woodlands (£18,690), a canopy and all weather play surface for the new 2 year old nursery (£28,592) and a successful CIF application for £233k for access improvements at Woodlands. The Bristol Evening Post ran a competition to enter a draw for £10k for a Science Project which Wicklea won.

- 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 2015/16.

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.



**GOVERNANCE STATEMENT (continued)**

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**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 2015 to 31 August 2016 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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; and
- 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. On a termly basis, the auditors report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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.

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

**GOVERNANCE STATEMENT (continued)**

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**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 7 December 2016 and signed on their behalf, by:



**O Feeley**  
**Chair of Trustees**



**S Sage**  
**Accounting Officer**

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

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Waycroft Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA 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.

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.

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 EFA.

**S Sage  
Accounting Officer**



*Date: 7 December 2016*

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 2015 to 2016;
- 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 the EFA/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**

**Date:**

7/12/16

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

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

We have audited the financial statements of Waycroft Multi Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. 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" and the Academies Accounts Direction 2015 to 2016 issued by the Education 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

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 2016 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 2015 to 2016 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



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:

13/12/2016

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

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

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In accordance with the terms of our engagement letter dated 3 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, 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 2015 to 31 August 2016 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 EFA 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 EFA 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 EFA, 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 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. 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 FUNDING AGENCY (continued)**

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**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 2015 to 31 August 2016 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: 13/12/2016



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

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	150,687	(173,000)	1,843,482	1,821,169	1,334,973
Other donations and capital grants	2	21,916	101,975	275,555	399,446	186,314
Charitable activities	5	371,434	3,710,000	-	4,081,434	3,099,604
Other trading activities	3	22,600	-	-	22,600	2,522
Investments	4	1,057	-	-	1,057	1,111
<b>TOTAL INCOME</b>		<b>567,694</b>	<b>3,638,975</b>	<b>2,119,037</b>	<b>6,325,706</b>	<b>4,624,524</b>
<b>EXPENDITURE ON:</b>						
Raising funds		18,131	-	-	18,131	-
Charitable activities		529,753	3,901,969	249,131	4,680,853	2,991,490
<b>TOTAL EXPENDITURE</b>	6	<b>547,884</b>	<b>3,901,969</b>	<b>249,131</b>	<b>4,698,984</b>	<b>2,991,490</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>19,810</b>	<b>(262,994)</b>	<b>1,869,906</b>	<b>1,626,722</b>	<b>1,633,034</b>
Transfers between Funds	18	-	(81,521)	81,521	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>19,810</b>	<b>(344,515)</b>	<b>1,951,427</b>	<b>1,626,722</b>	<b>1,633,034</b>
Actuarial losses on defined benefit pension schemes	24	-	(744,000)	-	(744,000)	(23,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>19,810</b>	<b>(1,088,515)</b>	<b>1,951,427</b>	<b>882,722</b>	<b>1,610,034</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		323,037	(643,365)	6,307,728	5,987,400	4,377,366
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>342,847</b>	<b>(1,731,880)</b>	<b>8,259,155</b>	<b>6,870,122</b>	<b>5,987,400</b>

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 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	14		<b>8,023,054</b>		6,120,930
<b>CURRENT ASSETS</b>					
Debtors	15	<b>146,512</b>		137,285	
Cash at bank and in hand		<b>932,529</b>		921,554	
		<b>1,079,041</b>		<b>1,058,839</b>	
<b>CREDITORS:</b> amounts falling due within one year	16	<b>(183,973)</b>		<b>(143,369)</b>	
<b>NET CURRENT ASSETS</b>			<b>895,068</b>		915,470
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>8,918,122</b>		7,036,400
Defined benefit pension scheme liability	24		<b>(2,048,000)</b>		<b>(1,049,000)</b>
<b>NET ASSETS</b>			<b>6,870,122</b>		<b>5,987,400</b>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted income funds:					
General funds	18	<b>316,120</b>		405,635	
Fixed asset funds	18	<b>8,259,155</b>		6,307,728	
Restricted income funds excluding pension liability		<b>8,575,275</b>		6,713,363	
Pension reserve		<b>(2,048,000)</b>		<b>(1,049,000)</b>	
Total restricted income funds			<b>6,527,275</b>		5,664,363
Unrestricted income funds	18		<b>342,847</b>		323,037
<b>TOTAL FUNDS</b>			<b>6,870,122</b>		<b>5,987,400</b>

The financial statements were approved by the Trustees, and authorised for issue, on 7 December 2016 and are signed on their behalf, by:



**O Feeley**  
**Chair of Trustees**

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 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	<u>(129,827)</u>	<u>679,717</u>
<b>Cash flows from investing activities:</b>			
Interest received		1,057	1,111
Purchase of tangible fixed assets		(307,773)	(468,827)
Capital grants from DfE and other capital income		<u>296,831</u>	<u>148,065</u>
<b>Net cash used in investing activities</b>		<u>(9,885)</u>	<u>(319,651)</u>
<b>Cash flows from financing activities:</b>			
Cash transferred on conversion to an academy trust		150,687	30,000
<b>Net cash provided by financing activities</b>		<u>150,687</u>	<u>30,000</u>
<b>Change in cash and cash equivalents in the year</b>		<b>10,975</b>	<b>390,066</b>
Cash and cash equivalents brought forward		<u>921,554</u>	<u>531,488</u>
<b>Cash and cash equivalents carried forward</b>	21	<u><u>932,529</u></u>	<u><u>921,554</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**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 2015 to 2016 issues by EFA, the Charities Act 2011 and the Companies Act 2006.

**First time adoption of FRS 102**

These financial statements are the first financial statements of Waycroft Multi Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Waycroft Multi Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 29.

**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 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 INCOME**

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 is certainty of receipt and the amount can be reliably measured.

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

**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 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.

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

All resources expended are inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised.

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 Incorporating Income and Expenditure Account 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 Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 Incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

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 Incorporating Income and Expenditure Account 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 INTEREST RECEIVABLE**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.10 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.

**1.11 CASH AT BANK AND IN HAND**

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

**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.

**1.13 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.14 FINANCIAL INSTRUMENTS**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

**1.15 CONVERSION TO AN ACADEMY TRUST**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Woodlands School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities Incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Land and buildings have been included in the accounts at an estimation of their value at the date of conversion. In determining this value the Trustees have referred to the valuation of land and buildings provided by Ridge and Partners LLP as at August 2016 which was performed using the Reinstatement Valuation method.

Pension assets and liabilities have been valued by Mercer.

Further details of the transaction are set out in note 22.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

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**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Transfer from Local Authority on conversion	150,687	(173,000)	1,843,482	1,821,169	1,334,973
Donations	21,916	80,699	-	102,615	38,249
Capital Grants	-	21,276	275,555	296,831	148,065
Subtotal	21,916	101,975	275,555	399,446	186,314
	172,603	(71,025)	2,119,037	2,220,615	1,521,287

In 2015, of the total income from donations and capital grants, £29,756 was unrestricted, £(196,303) was restricted and £1,687,834 was in relation to the fixed asset fund.

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	5,425	-	5,425	2,385
External Catering	3,274	-	3,274	137
Fees received	13,901	-	13,901	-
	22,600	-	22,600	2,522

In 2015, the total income from other trading activities was unrestricted.

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	1,057	-	1,057	1,111

In 2015, the total investment income was unrestricted.

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**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant	-	3,055,456	3,055,456	2,186,422
Other DfE/EFA grants	-	458,085	458,085	488,919
	<u>-</u>	<u>3,513,541</u>	<u>3,513,541</u>	<u>2,675,341</u>
<b>Other government grants</b>				
High Needs	-	123,326	123,326	65,876
Other government grants non capital	276,328	73,133	349,461	255,519
	<u>276,328</u>	<u>196,459</u>	<u>472,787</u>	<u>321,395</u>
<b>Other funding</b>				
Internal catering income	62,367	-	62,367	42,332
Other	32,739	-	32,739	60,536
	<u>95,106</u>	<u>-</u>	<u>95,106</u>	<u>102,868</u>
	<u>371,434</u>	<u>3,710,000</u>	<u>4,081,434</u>	<u>3,099,604</u>

In 2015, of the total income from charitable activities, £241,849 was unrestricted and £2,857,755 was restricted.

**6. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on trading activities	17,988	143	-	18,131	-
Education:					
Direct costs	2,918,357	187,244	324,335	3,429,936	2,150,361
Support costs	549,093	180,270	521,554	1,250,917	841,129
	<u>3,485,438</u>	<u>367,657</u>	<u>845,889</u>	<u>4,698,984</u>	<u>2,991,490</u>

In 2016, of the total expenditure, £547,884 (2015: £246,728) was to unrestricted funds, £3,901,969 (2015: £2,535,049) was to restricted funds, and £249,131 (2015: £209,713) was to fixed asset funds.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**7. DIRECT COSTS**

	Total 2016 £	Total 2015 £
Pension finance costs	27,718	20,260
Educational supplies	134,368	111,085
Educational visits and other costs	91,943	66,255
Supply teachers	67,630	52,846
Educational Consultancy	8,419	-
Wages and salaries	2,337,447	1,362,191
National insurance	164,236	92,760
Pension cost	349,044	235,251
Depreciation	249,131	209,713
	<u>3,429,936</u>	<u>2,150,361</u>

**8. SUPPORT COSTS**

	Total 2016 £	Total 2015 £
Pension finance costs	20,282	12,740
Staff development	14,805	7,154
Other costs	65,000	46,730
Recruitment and support	5,461	4,906
Maintenance of premises and equipment	130,377	44,853
Cleaning	6,191	5,160
Rent and rates	24,755	13,345
Energy costs	38,701	26,414
Insurance	81,173	63,427
Security and transport	23,683	13,023
Catering	118,322	62,169
Technology costs	21,972	8,001
Office overheads	43,971	47,208
Legal and professional	78,912	70,564
Bank interest and charges	1,814	1,039
Governance	26,006	27,024
Wages and salaries	431,138	301,396
National insurance	19,374	13,867
Pension cost	98,980	72,109
	<u>1,250,917</u>	<u>841,129</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. NET INCOME/(EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>249,131</b>	209,713
Auditors' remuneration - audit	<b>9,750</b>	6,240
Auditors' remuneration - other services	<b>4,100</b>	3,425
Operating lease rentals	<b>9,651</b>	3,022
	<b><u>262,632</u></b>	<b><u>222,400</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	2,778,885	1,662,251
Social security costs	183,741	106,627
Pension costs	449,522	307,360
	<u>3,412,148</u>	<u>2,076,238</u>
Supply teacher costs	67,630	52,846
Staff restructuring costs	5,660	1,336
	<u><u>3,485,438</u></u>	<u><u>2,130,420</u></u>

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

	2016 No.	2015 No.
Management	10	5
Teachers	39	31
Administrative and other support staff	120	46
	<u>169</u>	<u>82</u>

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Management	10	3
Teachers	35	29
Administrative and other support staff	65	46
	<u>110</u>	<u>78</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these members amounted to £24,129 (2015: £19,865).

Included in staff restructuring costs is one non-contractual severance payment totalling £5,660 (2015: £1,336).

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 £508,407 (2015: £350,534).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. STAFF COSTS (continued)**

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 retirement benefits were accruing to 5 Trustees (2015: 5) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £405 (2015: £38) were reimbursed to 4 Trustees (2015: 1).

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 in respect of their role as Trustees.

The value of Trustees' remuneration including pension contributions in the year was as follows; S Rowe: Remuneration £80,000 - £85,000 (2015: £75,000 - £80,000), Employer pension contributions £10,000 - £15,000 (2015: £10,000 - £15,000), S Sage: Remuneration £65,000 - £70,000 (2015: £60,000 - £65,000), Employer pension contributions £10,000 - £15,000 (2015: £5,000 - £10,000), M Morgan: Remuneration £45,000 - £50,000 (2015: £20,000 - £25,000, appointed 01/03/2015), Employer pension contributions £5,000 - £10,000 (2015: £0 - £5,000), L Craig (appointed 01/10/2015): Remuneration £45,000 - £50,000 (2015: £5,000 - £10,000, resigned 28/02/2015), Employer pension contributions £5,000 - £10,000 (2015: £0 - £5,000), H Morris (appointed 01/10/2015): Remuneration £45,000 - £50,000 (2015: £Nil), Employer pension contributions £5,000 - £10,000 (2015: £Nil).

Other related party transactions involving the trustees are set out in Note 26.

**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 has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2016 was £4,109 (2015: £1,783).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Long Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>					
At 1 September 2015	-	6,407,491	95,567	209,499	6,712,557
Additions	-	300,708	7,065	-	307,773
Transfer on conversion	1,843,482	-	-	-	1,843,482
At 31 August 2016	1,843,482	6,708,199	102,632	209,499	8,863,812
<b>DEPRECIATION</b>					
At 1 September 2015	-	420,062	49,404	122,161	591,627
Charge for the year	29,907	157,337	20,164	41,723	249,131
At 31 August 2016	29,907	577,399	69,568	163,884	840,758
<b>NET BOOK VALUE</b>					
At 31 August 2016	1,813,575	6,130,800	33,064	45,615	8,023,054
At 31 August 2015	-	5,987,429	46,163	87,338	6,120,930

**15. DEBTORS**

	2016 £	2015 £
VAT recoverable	25,736	43,152
Other debtors	1,689	138
Prepayments and accrued income	119,087	93,995
	146,512	137,285

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade creditors	13,942	-
Taxation and social security	56,499	33,123
Other creditors	84	45,314
Accruals and deferred income	113,448	64,932
	183,973	143,369



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

	2016 £	2015 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2015	50,398	61,517
Resources deferred during the year	102,250	50,398
Amounts released from previous years	(50,398)	(61,517)
	<u>102,250</u>	<u>50,398</u>
Deferred income at 31 August 2016	<u>102,250</u>	<u>50,398</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, educational visits relating to the 2016/17 academic year and local authority funding for the 2016/17 academic year.

**17. FINANCIAL INSTRUMENTS**

	2016 £	2015 £
Financial assets measured at fair value through income and expenditure	932,529	921,554
Financial assets measured at amortised cost	32,269	34,475
	<u>964,798</u>	<u>956,029</u>
Financial liabilities measured at amortised cost	(25,140)	(14,534)

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**18. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>						
General funds	323,037	567,694	(547,884)	-	-	342,847
<b>RESTRICTED FUNDS</b>						
	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
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 Sports 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)	-	-	-
LA Growth Fund	-	64,908	(64,908)	-	-	-
Other restricted funds	-	8,225	(8,225)	-	-	-
Pension reserve	(1,049,000)	(173,000)	(82,000)	-	(744,000)	(2,048,000)
	(643,365)	3,638,975	(3,901,969)	(81,521)	(744,000)	(1,731,880)

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**18. STATEMENT OF FUNDS (continued)**

**RESTRICTED FIXED ASSET FUNDS**

	<b>Brought Forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Gains/ (Losses) £</b>	<b>Carried Forward £</b>
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/EFA 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
	<b>6,307,728</b>	<b>2,119,037</b>	<b>(249,131)</b>	<b>81,521</b>	<b>-</b>	<b>8,259,155</b>
Total restricted funds	<b>5,664,363</b>	<b>5,758,012</b>	<b>(4,151,100)</b>	<b>-</b>	<b>(744,000)</b>	<b>6,527,275</b>
Total of funds	<b>5,987,400</b>	<b>6,325,706</b>	<b>(4,698,984)</b>	<b>-</b>	<b>(744,000)</b>	<b>6,870,122</b>

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

**RESTRICTED FUNDS**

The General Annual Grant (GAG) represents funding received from the Education Funding Agency (EFA) during the period in order to fund the continuing activities of the Academies.

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

Donations represents amounts received from the Foyle Foundation towards new books for the school library, and from the Bristol Post towards new science equipment.

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

Devolved formula capital grant represents funding received from the EFA during the period in order to cover the purchase and maintenance of the Academy Trust's assets.

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

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

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**18. STATEMENT OF FUNDS (continued)**

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

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

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 restricted funds represents pupil premium income received from the Local Authority.

Pension reserve represents the academy'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 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 EFA.

DfE/EFA 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 EFA to improve the condition of the Academy Trust.

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.

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**18. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2016 were allocated as follows:

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Waycroft Academy	<b>477,098</b>	640,316
Wicklea Academy	<b>28,788</b>	88,356
Woodlands Academy	<b>153,081</b>	-
Total before fixed asset fund and pension reserve	<b>658,967</b>	728,672
Restricted fixed asset fund	<b>8,259,155</b>	6,307,728
Pension reserve	<b>(2,048,000)</b>	(1,049,000)
Total	<b>6,870,122</b>	5,987,400

**ANALYSIS OF ACADEMIES BY COST**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Waycroft Academy	<b>1,462,395</b>	<b>405,612</b>	<b>62,630</b>	<b>455,212</b>	<b>2,385,849</b>	2,318,275
Wicklea Academy	<b>735,159</b>	<b>184,959</b>	<b>35,559</b>	<b>214,263</b>	<b>1,169,940</b>	463,502
Woodlands Academy	<b>575,861</b>	<b>121,452</b>	<b>36,179</b>	<b>160,572</b>	<b>894,064</b>	-
	<b>2,773,415</b>	<b>712,023</b>	<b>134,368</b>	<b>830,047</b>	<b>4,449,853</b>	2,781,777

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Restricted fixed asset funds 2016 £</b>	<b>Total funds 2016 £</b>	<b>Total funds 2015 £</b>
Tangible fixed assets	-	-	<b>8,023,054</b>	<b>8,023,054</b>	6,120,930
Current assets	<b>342,453</b>	<b>500,487</b>	<b>236,101</b>	<b>1,079,041</b>	1,058,839
Creditors due within one year	<b>394</b>	<b>(184,367)</b>	-	<b>(183,973)</b>	(143,369)
Pension scheme liability	-	<b>(2,048,000)</b>	-	<b>(2,048,000)</b>	(1,049,000)
	<b>342,847</b>	<b>(1,731,880)</b>	<b>8,259,155</b>	<b>6,870,122</b>	5,987,400

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

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	1,626,722	1,633,034
<b>Adjustment for:</b>		
Depreciation charges	249,132	209,713
Interest received	(1,057)	(1,111)
(Increase)/decrease in debtors	(9,227)	330,443
Increase/(decrease) in creditors	40,603	(84,324)
Capital grants from DfE and other capital income	(296,831)	(148,065)
Defined benefit pension scheme cost less contributions payable	34,000	42,000
Defined benefit pension scheme finance cost	48,000	33,000
Net (loss) on assets and liabilities from local authority on conversion	(1,821,169)	(1,334,973)
<b>Net cash (used in)/provided by operating activities</b>	<b>(129,827)</b>	<b>679,717</b>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	932,529	921,554
<b>Total</b>	<b>932,529</b>	<b>921,554</b>

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**22. CONVERSION TO AN ACADEMY TRUST**

On 1 October 2015 Woodlands School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Waycroft Multi Academy Trust from Bristol City Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Freehold/leasehold land and buildings	-	-	1,843,482	1,843,482
Budget surplus/(deficit) on LA funds	150,687	-	-	150,687
LGPS pension surplus/(deficit)	-	(173,000)	-	(173,000)
Net assets/(liabilities)	<u>150,687</u>	<u>(173,000)</u>	<u>1,843,482</u>	<u>1,821,169</u>

The above net assets include £150,687 that were transferred as cash.

**23. CAPITAL COMMITMENTS**

At 31 August 2016 the Academy Trust had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	<u>10,964</u>	<u>95,779</u>

At the balance sheet date the Academy Trust was committed to further costs in relation to completion of works on the new hall at Waycroft Academy.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. 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 2013.

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**

Not less than every four years 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 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, 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 £232,522 (2015: £185,360).

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](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).



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**24. 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 2016 was £275,000 (2015: £162,000), of which employer's contributions totalled £217,000 (2015: £122,000) and employees' contributions totalled £58,000 (2015: £40,000). The agreed contribution rates for future years are 13.1 - 15.7% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	<b>2016</b>	<b>2015</b>
Discount rate for scheme liabilities	<b>2.11 %</b>	3.90 %
Rate of increase in salaries	<b>3.31 %</b>	3.70 %
Rate of increase for pensions in payment / inflation	<b>1.91 %</b>	2.20 %
Inflation assumption (CPI)	<b>1.81 %</b>	2.20 %

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

	<b>2016</b>	<b>2015</b>
Retiring today		
Males	<b>23.5</b>	23.3
Females	<b>26.0</b>	25.8
Retiring in 20 years		
Males	<b>25.9</b>	25.7
Females	<b>28.9</b>	28.7

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**24. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	492,000	337,000
Government bonds	119,000	55,000
Property	95,000	48,000
Cash	(4,000)	13,000
Other bonds	94,000	68,000
Other	180,000	83,000
Total market value of assets	<u>976,000</u>	<u>604,000</u>

The actual return on scheme assets was £113,000 (2015: £8,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(251,000)	(164,000)
Net interest cost	(48,000)	(33,000)
Total	<u>(299,000)</u>	<u>(197,000)</u>
Actual return on scheme assets	<u>113,000</u>	<u>8,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,653,000	1,150,000
Current service cost	251,000	164,000
Interest cost	72,000	51,000
Contributions by employees	58,000	40,000
Actuarial losses	830,000	10,000
Liabilities assumed in a business combination	173,000	251,000
Benefits paid	(13,000)	(13,000)
Closing defined benefit obligation	<u>3,024,000</u>	<u>1,653,000</u>

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**24. PENSION COMMITMENTS (continued)**

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

	2016 £	2015 £
Opening fair value of scheme assets	604,000	449,000
Interest income	29,000	20,000
Actuarial gains and (losses)	86,000	(13,000)
Contributions by employer	217,000	122,000
Contributions by employees	58,000	40,000
Assets acquired in a business combination	-	1,000
Benefits paid	(13,000)	(13,000)
Administration expenses	(5,000)	(2,000)
Closing fair value of scheme assets	<u>976,000</u>	<u>604,000</u>

**25. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	10,135	4,562
Between 1 and 5 years	21,084	17,107
Total	<u>31,219</u>	<u>21,669</u>

**26. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy'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's financial regulations and normal procurement procedures.

No such transactions have occurred during the current period.

**27. 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.

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**28. 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.

**29. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

<b>RECONCILIATION OF TOTAL FUNDS</b>	<b>Notes</b>	<b>1 September 2014</b>	<b>31 August 2015</b>
		£	£
Total funds under previous UK GAAP		4,377,366	5,987,400
Total funds reported under FRS 102		<u>4,377,366</u>	<u>5,987,400</u>

<b>Reconciliation of net income/(expenditure)</b>	<b>Notes</b>	<b>31 August 2015</b>
		£
Net income previously reported under UK GAAP		1,642,034
Change in the recognition of LGPS interest cost		(9,000)
Net movement in funds reported under FRS 102		<u>1,633,034</u>

Explanation of changes to previously reported funds and net income/expenditure:

**Change in the recognition of LGPS interest cost**

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expenses. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expenses. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £9,000 and reduce the debit in other recognised gains and losses in the SoFA by an equivalent amount.