

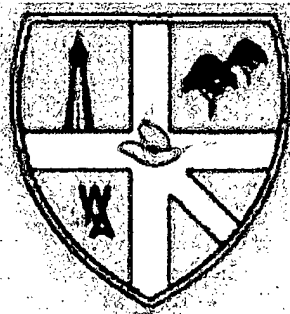
Company Registration No. 08087508 (England and Wales)

WATERLOO PRIMARY ACADEMY

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2015



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WATERLOO PRIMARY ACADEMY

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WATERLOO PRIMARY ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Mr E Collett (Chairman)
Mr R Fox (Staff Governor) (Resigned 28 January 2015)
Mrs A Kilby (Staff Governor)
Mr M Gray (Principal and Accounting Officer)
Mr P Thompson
Mr S West
Mrs J Evans
Mrs A Edwards
Mr A Matthews
Mrs K Lillico
Mr M Nash
Mrs J May (Appointed 17 June 2015)

Members

Mr M Gray
Mr E Collett
Mrs J Edwards

Senior management team

- Principal	Mr M Gray
- Deputy Headteacher	Mrs C Vaughan
- Deputy Headteacher	Mr D Woodcock
- Business Manager	Mrs S Cardwell

Company secretary

Mrs S Cardwell

Company name

Waterloo Primary Academy

Company registration number

08087508 (England and Wales)

Registered office

Waterloo Road
Blackpool
FY4 3AG

Independent auditor

Moore and Smalley LLP
Richard House
9 Winckley Square
Preston
PR1 3HP

Bankers

Lloyds TSB
Church Street
Blackburn
BB6 7QN

WATERLOO PRIMARY ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Brabners Chaffe Street LLP
7-8 Chapel Street
Preston
PR1 8AN

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The Governors present their annual report together with the accounts and independent auditor's reports of the Charitable Company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal object and activity of the Charitable Company is the operation of a school to provide education for pupils of mixed abilities between the ages of 3 and 11 serving a catchment area in Blackpool. In accordance with the articles of association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should be broad, balanced and comply with the substance of the national curriculum.

Structure, governance and management

Constitution

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

The Governors are the trustees of Waterloo Primary Academy and are also the directors of the Charitable Company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The Academy has purchased indemnity insurance to protect governors and officers from claims arising in connection with Academy business. The insurance provides cover of up to £5,000,000 on any one claim.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Method of recruitment and appointment or election of Governors

The Articles of Association states that, the number of Governors shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Subject to Articles 48-49 and 63, Waterloo Primary Academy shall have the following Governors:

- a) up to fifteen Governors, appointed under Article 50
- b) any Staff Governors, if appointed under Article 50A;
- c) a minimum of 2 Parent Governors appointed under Articles 52-57 ;
- d) the Principal;
- e) any Additional Governors, if appointed under Article 61, 61A or 67A; and
- f) any Further Governors, if appointed under Article 62 or Article 67A

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

When seeking new Governors the Chair assesses the skill set of the current Governors and considers what qualities and experience would enhance the Team for the benefit of the Academy. The Academy also issues letters home to parents in addition to making use of media technology to advertise such positions.

The Secretary of State may appoint such Additional Governors as he thinks fit if the Secretary of State has:

- a) given the Governors a warning notice in accordance with Article 59 ; and
- b) the Governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

The Secretary of State may also appoint such Additional Governors where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") Waterloo Primary Academy receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by Waterloo Primary School shall be regarded as the grade received by the Academy.

The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

The Governors are appointed by the following:

Parent Governors - elected by parents of the students of the Academy

Staff Governors - elected by staff of the Academy

Other Governors - appointed by members of the Academy

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new Governors will depend on their existing experience.

All governors are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents on appointment. Induction training is provided by Blackpool Borough Council Governors Services, the Academy's Outsourced Service Contract Supplier and ongoing training is detailed through monthly governors' newsletters, specifying availability.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Organisational structure

The Academy is governed by its Governing Body, whose members are directors of the Charitable Company, for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. The organisational structure of the Academy consists of three levels: the Governing Body, the Headteacher and the Senior Leadership Team.

The Governing Body is responsible for setting general policy, adopting a school development plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy, approving major items of expenditure and making senior staff appointments. Certain elements of these responsibilities are delegated to the following sub committees who make recommendations to the full Governing Body:

- Finance, Audit & Pay Policy Implementation Committee
- Sites & Buildings/Health & Safety Committee
- Performance Management Committee
- Pupils Exclusions/Discipline Committee

The Governors on the committees have powers delegated to them from the full Governing Body to make decisions on behalf of the academy. During the course of 2013/14 academic year the full Governing Body met three times.

The Governors have adopted a scheme of financial delegation, which clearly sets out the level of financial authority delegated to the Principal (who is the Accounting Officer) and other members of staff.

The Senior Leadership Team comprises;

- Principal
- Two Deputy Principals
- Business Manager.

These leaders control the Academy at an executive level, organising teaching staff, facilities, and students and implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Some spending control is devolved to members of the Leadership Team and Curriculum Leaders.

Related parties and other connected charities and organisations

Waterloo Primary Academy is a single academy and is not part of a federation. On a wider scale a cluster of Blackpool Primary Academies meet regularly with a view to sharing best practice and investigating shared purchasing, operational options among other matters.

Objectives and activities

Objects and aims

Waterloo Primary Academy meets the needs of pupils very well and it achieves excellent outcomes from the high standard of education that it provides for them. The Principal, supported by the Governing Body and Academy Trust, two effective deputies, year leaders and all staff are committed fully to securing the highest standards and to sustaining improvement in all areas of the school's work. Outcomes for the vast majority of individual pupils are high in relation to starting points. The school benefits from a high standard of leadership at all levels.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, strategies and activities

The main strengths and areas for development as set out in its governing document are:

Strengths

- a challenging and engaging curriculum
- intervening early to ensure children make rapid progress from a low baseline
- making effective use of the Pupil Premium to drive up standards
- performance management linked to high quality teaching/learning
- Good with outstanding features Ofsted report

Development areas

- extend the more able pupils to achieve higher attainment levels
- ensure all vulnerable groups, EAL and SEND pupils make good progress
- focus on developing writing at every level
- create an advanced portfolio of pupils work to use effectively to benchmark standards

The quality of teaching in the school

- high quality teaching-lesson observations January 2014, 97% good or better
- monitoring through book scans, planning, I-track, learning walks, peer and self-assessment, etc
- focused CPD programme, both in house and working with other schools
- knowledge and understanding of a curriculum fit for purpose
- use of data and assessment
- pupils reading widely and often

Development areas

- continue to bear down on quality of teaching
- strengthen quality assurance/role of year leaders
- consistency of practice across school/year groups
- further embed assessment targets and accountability on I-track
- evidence from monitoring of groups translated into individual-level planning

The behaviour and safety of pupils in the school

- positive ethos; pupils feel safe at school; behaviour always good or better
- rigorous safeguarding process; induction of staff and volunteers

Development areas

- reporting child safety issues using the new IT database
- improving attendance rates and consistently monitoring lateness

The quality of leadership and management of the school

- strong and effective leadership and academy governance
- high expectations; relentless focus on teaching and learning
- robust self-evaluation processes
- developing a secure depth of leadership knowledge
- partnership collaboration with other schools through the Challenge Partners and 'Achievement for All' programmes
- nurturing leadership at all levels
- consistency of practice and expectations

Public benefit

The Governors are aware of the Charity Commission Guidance on providing public benefit and have had due regard to this in exercising their duties during the year. The key public benefit delivered by Waterloo Primary Academy is the maintenance and development of education provided by the School, to the young people of Blackpool. Additionally we offer the use of the school hall to the local scouts club each week, furthermore the PACT makes use of the facilities for their monthly meetings.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

Reading					
	Age Related Attainment	Achieved/Exceeded Summer Target	Exceeded Summer Target	Average Point Score	sub-level Progress
Y2	81%	83%	33%	4.27	2.14
Y6	94%	77%	60%	4.43	2.22

Writing					
	Age Related Attainment	Achieved/Exceeded Summer Target	Exceeded Summer Target	Average Point Score	sub-level Progress
Y2	60%	73%	18%	4.0	2.0
Y6	88%	89%	36%	4.6	2.3

Maths					
	Age Related Attainment	Achieved/Exceeded Summer Target	Exceeded Summer Target	Average Point Score	sub-level Progress
Y2	75%	83%	36%	4.43	2.22
Y6	91%	81%	42%	4.9	2.45

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key performance indicators

OFSTED (February 2014)

Overall effectiveness	Good 2
Previous inspection:	Not previously inspected (As an academy)
This inspection:	Good 2
Achievement of pupils:	Good 2
Quality of teaching:	Good 2
Behaviour and safety of pupils:	Good 2
Leadership and management:	Outstanding 1

This is a very welcoming and caring school. Lessons are fun and pupils have a joy of learning. Pupils are proud of their school; one pupil stated, 'I love school so much I hate weekends.'

Achievement is good. Pupils make good and improving progress from starting points when they join school that are well below expectations for their ages.

Pupils who receive help funded by the pupil premium, pupils with disabilities and special educational needs, including those with a hearing impairment, make good progress. The most able pupils are well catered for so they reach the higher levels.

Children get a good start in the Early Years Foundation Stage and thrive in a caring and stimulating environment.

Teaching is good. Interesting and stimulating lessons motivate pupils who usually work hard and try their best.

An outstanding range of activities enhances all aspects of learning. Pupils have access to excellent opportunities to learn outdoors and to participate in sports and arts events.

Behaviour is good and creates a very harmonious community. Pupils respect each other and say that almost all of the time everyone gets on well together. The school works hard to secure good levels of pupils' safety. Pupils know how to manage risk and stay safe.

Very effective leadership by the headteacher and senior staff in this improving school gets the best out of staff. They feel valued and trusted.

Middle leaders make a strong contribution to the school's success by managing colleagues and checking on the quality of teaching and learning to bring about continued improvement.

The Governing Body supports leaders well and holds them to account; where success is evident it provides financial rewards.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

End of Key Stage 2 Results

% of children achieving L4 or above in Maths + Reading + Writing				86%
% of children achieving L5 or above in Maths + Reading + Writing				19%
	Reading	Writing	Maths	Grammar
% of children making 2+ levels Progress	99%	99%	97%	
% of children achieving L4 or above	94%	88%	91%	76%
% of children achieving L5 or above	49%	21%	43%	59%
% of children achieving L6	3%	2%	7%	4%

Attendance

We work tirelessly to improve our attendance, as it is always a challenge to meet the 95% required standard. Academic year 2014/2015 had an attendance figure of **94%**. So far in 2015/2016, our attendance percentage has been **95%**, (currently: 95.07%).

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Governing Body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The School's total incoming resources during the year were £3,578,411 (2014: £3,484,228). The majority of the academy's income derives from central government funding via the Education Funding Agency, in the form of current grants. Total funding received for the School's educational operations in the year was £3,412,282 (2014: £3,394,454) and further details are provided in note 5 to the accounts.

Total outgoing resources for the year were £3,286,339 (2014: £3,369,098), the majority of which related to the direct provision of educational operations of £3,252,426 (2014: £3,320,275). The excess of income over expenditure was £292,072 (2014: £115,130).

At the year end the School's total reserves were £3,500,976 (2014: £3,267,904), including unrestricted funds of £130,761 (2014: £74,166) and restricted funds of £3,370,215 (2014: £3,193,738). Restricted funds include fixed assets of £3,501,038 (2014: £3,529,493), less the LGPS pensions scheme deficit of £834,000 (2014: £737,000). The remaining balances on restricted funds relate to funding received to date, which is due to be spent in future years in accordance with the terms of funding. Further detail is provided in note 15.

The deficit on the LGPS does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the academy in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. There is therefore no direct impact on the free reserves of the academy trust because of recognising the deficit. 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.

At 31 August 2015 all assets shown in the accounts were used exclusively for providing education and associated support services to students of the School.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Reserves policy

The Governors review the reserve levels of the Academy annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. 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 and repairs. The academy's current reserves, net of amounts allocated to fixed assets and the pension deficit, are £833,118 (2014: £475,411). The Governors are planning to designate £500,000 of GAG reserves towards a planned sports hall project. The Academy will take appropriate action to ensure that reserves are always at a prudent level.

Restricted GAG reserves

The Governors have considered the level of GAG reserves which they believe will provide sufficient working capital to cover delays between the spending and receipt of grants and unexpected or planned future revenue and capital costs. At 31 August 2015 the school held GAG reserves of £694,727 (2014: £375,753) however as noted in the reserves policy, £500,000 has been designated for a sports hall resulting in £194,727 of undesignated GAG reserves. The School aim to have in their reserves at least one month's salary and business costs with additional costs being accumulated for school improvement.

Unrestricted reserves

In addition to the GAG reserve, which can only be utilised for the restricted purposes set out in the Funding Agreement, the school holds unrestricted free reserves, which provide additional working capital and are not committed or designated. At 31 August 2015 the level of unrestricted reserves held was £130,761 (2014: £74,166), which is in line with the reserves policy.

Investment policy and powers

All investments are agreed by the Governing Body, which has regard to the Charity Commission guidance in relation to charity investment policy. The Academy does not currently hold any investments other than cash, which is held for its normal operations. The Governing Body has adopted a low risk strategy to its cash holdings. Surplus cash is held in an instant access deposit account to ensure that there is always access to sufficient cash to meet short and medium term requirements.

Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities, other operational areas of the Academy and its finances. These risks are reviewed on an annual basis by the Business Manager, Principal and Governing Body. A number of new operational systems have been implemented during the year in order to minimise specific risks. These include data protection, safeguarding of data, internal financial controls and experienced interchangeable office staff. Where significant financial risk is still remaining the academy ensures that adequate insurance cover and a disaster recovery plan is in place.

The internal financial systems are based on the Academies Financial Handbook September 2015 and are documented in Waterloo Primary Financial Handbook. The systems are based on a framework of segregation of duties, schemes of delegation that include authorisation and approval. Financial management information is provided to governors on a quarterly basis. The Business Manager updates the Academy handbook as and when new information is available from the DfE and EFA, with any significant changes being brought back to the Governing Body.

The responsible officer role has been performed, by Mr David Brookes and a report has been presented to the Governing Body. No major issues have been identified. Recommendations for the improvements to systems and procedures have been implemented.

Financial and risk management objectives and policies

The academy receives most of its income on a monthly basis and manages its cash flow accordingly.

WATERLOO PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Plans for future periods

Plans for the future of teaching and learning include the development of 'teacher learning sets' where teachers observe each other and collaborate to shape and improve learning over time. It will also enhance the teachers skills. Longer term we will also include support staff and work with other schools sharing good practice.

We plan to continue in more depth our work on pupil assessment and feedback techniques giving pupils more ownership and control of their learning. The impact on learning over the longer term can be quite profound if training and coaching is right. We plan to continue to work with Bill Thompson , an external trainer and assessor.

We aim to create a 'mental maths' programme for all our pupils, which equips all pupils with the strategies and techniques to gain good mental agility.

Funds held as custodian trustee on behalf of others

For the current and prior year year there are no assets and arrangements for safe custody segregation.

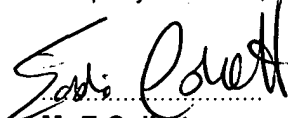
Auditor

In so far as the Governors are aware:

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

A resolution proposing that Moore and Smalley LLP be reappointed as auditor of the Charitable Company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 23/11/15 and signed on its behalf by:



Mr E Collett
Chairman

WATERLOO PRIMARY ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Waterloo Primary Academy 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 Governing Body has delegated the day-to-day responsibility to the principal, 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 Waterloo Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

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

Governors	Meetings attended	Out of possible
Mr E Collett (Chairman)	4	4
Mr R Fox (Staff Governor) (Resigned 28 January 2015)	1	2
Mrs A Kilby (Staff Governor)	4	4
Mr M Gray (Principal and Accounting Officer)	4	4
Mr P Thompson	4	4
Mr S West	2	4
Mrs J Evans	3	4
Mrs A Edwards	3	4
Mr A Matthews	3	4
Mrs K Lillico	3	4
Mr M Nash	3	4
Mrs J May (Appointed 17 June 2015)	1	1

A review of governance is carried out annually within the academy. The Governors have a good understanding of business matters and data assessment, however training has been highlighted as an area for improvement and the academy and trustees are working hard to address this. The academy will undertake a Governors self-assessment in February 2016 which will make use of national skills matrix's to inform the academy's judgements.

The Finance and Audit committee is a sub-committee of the main Governing Body. Its purpose is to carry out its delegated powers of overseeing the school finances.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr E Collett (Chairman)	3	3
Mr R Fox (Staff Governor) (Resigned 28 January 2015)	0	1
Mr M Gray (Principal and Accounting Officer)	3	3
Mr P Thompson	3	3
Mr S West	1	3
Mrs J Evans	3	3

WATERLOO PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Review of value for money

As Accounting Officer the principal 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 Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Improving Educational Results

- Additional teachers to support and extend education results
- School based Inclusion and Family Support staff meeting social and family needs
- Outdoor Leader and Sports Coaches impacting positively on health and well being
- Enhanced Enrichment Programme providing a range of experiences and life skills
- Narrowing the GAP between FSM and Non FSM children
- Financial Governance
- Approved audit of compliance from the Education Funding Agency
- Independent Responsible Officer checks outline efficient and effective financial management

Better Purchasing

- Reviewed Service Contracts to gain best quality and effectiveness for least cost
- The majority of service contracts are in-house
- Collaborate HR service between 4 Academies
- Free School meal checks in-house

Reviewing controls and managing risks

- Full segregation of financial duties
- Quarterly budget reports to Governing Body
- Implemented a cashless school approach
- Full risk register produced and reviewed regularly
- Collaboration and sharing good practice with local schools

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Waterloo Primary Academy for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of Governors.

WATERLOO PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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 Governing Body;
- regular reviews by the Finance and Audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Governors have appointed Mr David Brooks, an external Business Manager, as Responsible Officer ("RO").

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

Checks for 2014-2015 were undertaken on 26th September 2015. The following systems were reviewed:

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations

A report was produced for the board of trustees and delivered to the schools finance and audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. No issues or irregularities were found.

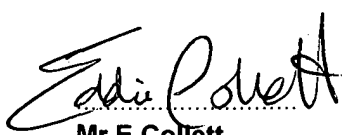
Review of effectiveness

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

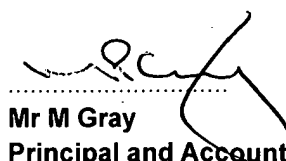
- the work of the responsible officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Body on 23/11/15 and signed on its behalf by:



Mr E Collett
Chairman



Mr M Gray
Principal and Accounting Officer

WATERLOO PRIMARY ACADEMY

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

As Accounting Officer of Waterloo Primary Academy I have considered my responsibility to notify the Academy Trust Governing Body 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's Governing Body 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 Governing Body and EFA.

Approved on 23/11/15 and signed by:


.....
Mr M Gray
Accounting Officer

WATERLOO PRIMARY ACADEMY

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as trustees for Waterloo Primary Academy and are also the directors of Waterloo Primary Academy for the purposes of company law) are responsible for preparing the Governors' Report and the accounts 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 Governors to prepare accounts for each financial year. Under company law the Governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Governing Body on 23/11/15 and signed on its behalf by:



Mr E Collett
Chairman

WATERLOO PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WATERLOO PRIMARY ACADEMY

We have audited the accounts of Waterloo Primary Academy for the year ended 31 August 2015 set out on pages 21 to 41. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 16, the Governors, who are also the directors of Waterloo Primary Academy for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 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 in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

WATERLOO PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WATERLOO PRIMARY ACADEMY

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



Christine Wilson (Senior Statutory Auditor)
Moore and Smalley LLP

Chartered Accountants

Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

Dated: 7/2/15

WATERLOO PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WATERLOO PRIMARY ACADEMY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 March 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Waterloo Primary Academy during the period 1 September 2014 to 31 August 2015 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 Waterloo Primary Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Waterloo Primary Academy and the 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 the Waterloo Primary Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Waterloo Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Waterloo Primary Academy's funding agreement with the Secretary of State for Education dated 29 June 2012 and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 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 2014 to 2015 issued by the 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.

We have undertaken testing as appropriate in line with the guidance included in Technical release 08/12AAF from the Institute of Chartered Accountants in England and Wales.

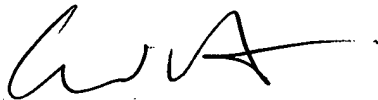
The work undertaken to draw our conclusion includes an evaluation of the control environment of the school together with enquiry, analytical review and substantive testing of transactions.

WATERLOO PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WATERLOO PRIMARY ACADEMY AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Christine Wilson
Reporting Accountant
Moore and Smalley LLP
Richard House
9 Winckley Square
Preston
PR1 3HP

Dated: 21/2/15

WATERLOO PRIMARY ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 2014 £
<u>Incoming resources</u>	Notes					
<i>Resources from generated funds</i>						
- Voluntary income	2	64,419	10,000	-	74,419	8,296
- Activities for generating funds	3	90,873	-	-	90,873	80,899
- Investment income	4	837	-	-	837	579
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	58,362	3,342,727	11,193	3,412,282	3,394,454
Total incoming resources		214,491	3,352,727	11,193	3,578,411	3,484,228
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
- Fundraising trading	6	20,524	-	-	20,524	34,008
<i>Charitable activities</i>						
- Educational operations	7	132,715	3,008,203	111,508	3,252,426	3,320,275
Governance costs	8	-	13,389	-	13,389	14,815
Total resources expended	6	153,239	3,021,592	111,508	3,286,339	3,369,098
Net incoming/(outgoing) resources before transfers		61,252	331,135	(100,315)	292,072	115,130
Gross transfers between funds		(4,657)	(68,023)	72,680	-	-
Net income/(expenditure) for the year		56,595	263,112	(27,635)	292,072	115,130
<u>Other recognised gains and losses</u>						
Actuarial gains/(losses) on defined benefit pension scheme	24	-	(59,000)	-	(59,000)	195,000
Net movement in funds		56,595	204,112	(27,635)	233,072	310,130
Fund balances at 1 September 2014		74,166	(335,755)	3,529,493	3,267,904	2,957,774
Fund balances at 31 August 2015	15	130,761	(131,643)	3,501,858	3,500,976	3,267,904

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

WATERLOO PRIMARY ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	11	3,501,858	3,529,493
Current assets			
Debtors	12	104,867	220,857
Cash at bank and in hand		863,948	562,559
		<u>968,815</u>	<u>783,416</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(135,697)	(308,005)
Net current assets		<u>833,118</u>	<u>475,411</u>
Net assets excluding pension liability		<u>4,334,976</u>	<u>4,004,904</u>
Defined benefit pension liability	24	(834,000)	(737,000)
Net assets		<u><u>3,500,976</u></u>	<u><u>3,267,904</u></u>
Funds of the Academy Trust:			
Restricted funds	15		
- Fixed asset funds		3,501,858	3,529,493
- General funds		702,357	401,245
- Pension reserve		(834,000)	(737,000)
Total restricted funds		<u>3,370,215</u>	<u>3,193,738</u>
Unrestricted income funds	15	<u>130,761</u>	<u>74,166</u>
Total funds		<u><u>3,500,976</u></u>	<u><u>3,267,904</u></u>

The accounts were approved by order of the Governing Body and authorised for issue on 23/11/15.....



Mr E Collett
Chairman

Company Number 08087508

WATERLOO PRIMARY ACADEMY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	19	373,232	64,557
Returns on investments and servicing of finance			
Investment income	837	579	
Net cash inflow/(outflow) from returns on investments and servicing of finance		837	579
		374,069	65,136
Capital expenditure and financial investments			
Capital grants received	11,193	260,493	
Payments to acquire tangible fixed assets	(83,873)	(71,402)	
Net cash flow from capital activities		(72,680)	189,091
Increase/(decrease) in cash	20	301,389	254,227

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the accounts.

1.3 Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

Donations

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

Other income

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

Donated services and gifts in kind

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

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.4 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

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

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	0% and 2%
Computer equipment	33.3%
Fixtures, fittings & equipment	20% to 25%

1.6 Leasing and hire purchase commitments

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

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.7 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.8 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and other government bodies.

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	64,419	10,000	74,419	8,296

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Catering income	23,323	-	23,323	37,371
After school club	34,136	-	34,136	34,080
Other income	33,414	-	33,414	9,448
	90,873	-	90,873	80,899

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	837	-	837	579

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	2,544,953	2,544,953	2,519,095
Capital grants	-	11,193	11,193	260,493
Other DfE / EFA grants	-	562,321	562,321	431,324
	-	3,118,467	3,118,467	3,210,912
Other government grants				
Local authority grants	-	209,749	209,749	162,593
Other funds				
Other incoming resources	58,362	25,704	84,066	20,949
Total funding	58,362	3,353,920	3,412,282	3,394,454

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	2,327,426	25,995	202,679	2,556,100	2,363,461
- Allocated support costs	322,786	164,070	209,470	696,326	956,814
	<u>2,650,212</u>	<u>190,065</u>	<u>412,149</u>	<u>3,252,426</u>	<u>3,320,275</u>
Other expenditure					
Costs of activities for generating funds	-	-	20,524	20,524	34,008
Governance costs	-	-	13,389	13,389	14,815
	<u>-</u>	<u>-</u>	<u>33,913</u>	<u>33,913</u>	<u>48,823</u>
Total expenditure	<u>2,650,212</u>	<u>190,065</u>	<u>446,062</u>	<u>3,286,339</u>	<u>3,369,098</u>

Net income/(expenditure) for the year includes:

	2015 £	2014 £
Operating leases		
- Other leases	16,246	12,757
Fees payable to auditor		
- Audit	6,930	6,530
- Other services	2,695	3,290
	<u>26,871</u>	<u>22,577</u>

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support staff costs	89,588	2,237,838	2,327,426	2,164,627
Depreciation	-	25,995	25,995	9,395
Technology costs	-	37,458	37,458	43,926
Educational supplies and services	-	165,221	165,221	145,513
	<u>89,588</u>	<u>2,466,512</u>	<u>2,556,100</u>	<u>2,363,461</u>
Allocated support costs				
Support staff costs	33,414	274,372	307,786	298,198
Depreciation	-	85,513	85,513	73,576
Maintenance of premises and equipment	-	78,557	78,557	361,747
Cleaning	-	4,654	4,654	4,665
Energy costs	-	33,673	33,673	45,352
Rent and rates	-	10,474	10,474	16,884
Insurance	-	51,245	51,245	53,221
Security and transport	-	547	547	343
Catering	-	33,603	33,603	10,417
Interest and finance costs	-	15,000	15,000	33,000
Other support costs	9,713	65,561	75,274	59,411
	<u>43,127</u>	<u>653,199</u>	<u>696,326</u>	<u>956,814</u>
Total costs	<u>132,715</u>	<u>3,119,711</u>	<u>3,252,426</u>	<u>3,320,275</u>

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	1,296	1,296	3,050
Auditor's remuneration				
- Audit of financial statements	-	6,660	6,660	6,530
- Other services	-	2,965	2,965	3,290
Other governance costs	-	2,468	2,468	1,945
	<u>-</u>	<u>13,389</u>	<u>13,389</u>	<u>14,815</u>

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

	2015 £	2014 £
Wages and salaries	2,105,085	1,967,684
Social security costs	139,435	129,325
Other pension costs	326,455	336,253
	<u>2,570,975</u>	<u>2,433,262</u>
Supply teacher costs	39,212	27,888
Compensation payments	3,000	15,773
Staff development and other staff costs	37,025	18,902
	<u>37,025</u>	<u>18,902</u>
Total staff costs	<u><u>2,650,212</u></u>	<u><u>2,495,825</u></u>

The average number of persons (including senior management team) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2015 Number	2014 Number
Teachers	38	32
Administration and support	45	41
Management	4	4
	<u>87</u>	<u>77</u>

The number of employees whose annual emoluments were £60,000 or more was:

	2015 Number	2014 Number
£90,001 - £100,000	<u>1</u>	<u>1</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £3,000 (2014: £15,773). Individually, the payment was £3,000.

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Governors' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

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

M Gray - Principal and Trustee:

Remuneration - £90,000 - £95,000 (2014: £90,000 - £95,000)

Employers' pension contribution - £10,000 - £15,000 (2014: £10,000 - £15,000)

R Fox - Staff Governor and Trustee - Resigned 28 January 2015:

Remuneration - £15,000 - £20,000 (2014: £35,000 - £40,000)

Employers' pension contribution - £0,000 - £5,000 (2014: £5,000 - £10,000)

A Kilby - Staff Governor and Trustee:

Remuneration - £20,000 - £25,000 (2014: £15,000 - £20,000)

Employers' pension contribution - £0,000 - £5,000 (2014: £0,000 - £5,000)

K Lillico - Staff Governor and Trustee:

Remuneration - £0,000 - £5,000 (2014: £0,000 - £5,000)

Employers' pension contribution - £0,000 - £5,000 (2014: £0,000 - £5,000)

J May - Staff Governor and Trustee - Appointed 17 June 2015:

Remuneration - £0,000 - £5,000 (2014: N/A)

Employers' pension contribution - £0,000 - £5,000 (2014: N/A)

During the year travel and subsistence expenses totalling £nil (2014: £nil) were reimbursed to governors. As disclosed within the related parties note there were no other transactions involving the governors.

Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total insurance cost and is not separately identifiable.

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2014	3,585,000	37,057	73,399	3,695,456
Additions	-	78,010	5,863	83,873
At 31 August 2015	3,585,000	115,067	79,262	3,779,329
Depreciation				
At 1 September 2014	144,300	10,109	11,554	165,963
Charge for the year	66,600	25,995	18,913	111,508
At 31 August 2015	210,900	36,104	30,467	277,471
Net book value				
At 31 August 2015	3,374,100	78,963	48,795	3,501,858
At 31 August 2014	3,431,942	22,656	74,895	3,529,493

Land and buildings are all on a long leasehold and includes non depreciable land at a value of £255,000.

12 Debtors

	2015 £	2014 £
VAT recoverable	4,435	17,581
Prepayments and accrued income	100,432	203,276
	104,867	220,857

13 Creditors: amounts falling due within one year

	2015 £	2014 £
Taxes and social security costs	39,554	41,029
Other creditors	39,167	35,597
Accruals	17,336	172,657
Deferred income	39,640	58,722
	135,697	308,005

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14	Deferred income	2015 £	2014 £
	Deferred income is included within:		
	Creditors due within one year	39,640	58,722
	Total deferred income at 1 September 2014	58,722	-
	Amounts credited to the statement of financial activities	(58,722)	-
	Amounts deferred in the year	39,640	58,722
	Total deferred income at 31 August 2015	39,640	58,722

At the balance sheet date the Academy Trust was holding funds received in advance for the year to 31 August 2016 for the Universal Infant Free School Meals.

15	Funds	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
	Restricted general funds					
	General Annual Grant	375,753	2,544,953	(2,176,177)	(49,802)	694,727
	Other DfE / EFA grants	22,877	562,321	(562,321)	(22,877)	-
	Other government grants	-	209,749	(209,749)	-	-
	Other restricted funds	2,615	35,704	(35,345)	4,656	7,630
	Funds excluding pensions	401,245	3,352,727	(2,983,592)	(68,023)	702,357
	Pension reserve	(737,000)	-	(38,000)	(59,000)	(834,000)
		(335,755)	3,352,727	(3,021,592)	(127,023)	(131,643)
	Restricted fixed asset funds					
	DfE / EFA and other capital grants	-	11,193	-	(11,193)	-
	Inherited fixed asset fund	3,440,700	-	(66,600)	-	3,374,100
	Capital expenditure from GAG or other funds	88,793	-	(44,908)	83,873	127,758
		3,529,493	11,193	(111,508)	72,680	3,501,858
	Total restricted funds	3,193,738	3,363,920	(3,133,100)	(54,343)	3,370,215
	Unrestricted funds					
	General funds	74,166	214,491	(153,239)	(4,657)	130,761
	Total funds	3,267,904	3,578,411	(3,286,339)	(59,000)	3,500,976

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

(Continued)

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

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

General Annual Grant must be used for the normal running expenses of the School and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement.

Other DfE/EFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants includes local authority nursery grants and other support staff funding.

Other restricted funds include contributions received for school trips.

The pension reserve represents the value of the School's share of the deficit in the Local Government Pension Scheme.

Restricted fixed asset funds include assets inherited on conversion and expenditure out of GAG and other capital grants during the year. Depreciation is charged against the fund.

16 Analysis of net assets between funds

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	3,501,858	3,501,858
Current assets	130,761	838,054	-	968,815
Creditors falling due within one year	-	(135,697)	-	(135,697)
Defined benefit pension liability	-	(834,000)	-	(834,000)
	<u>130,761</u>	<u>(131,643)</u>	<u>3,501,858</u>	<u>3,500,976</u>

17 Capital commitments

	2015 £	2014 £
At 31 August 2015 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	<u>31,095</u>	<u>38,304</u>

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

18 Commitments under operating leases

At 31 August 2015 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
- Between two and five years	16,246	12,757

19 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	292,072	115,130
Capital grants and similar income	(11,193)	(260,493)
Investment income	(837)	(579)
Defined benefit pension costs less contributions payable	23,000	32,000
Defined benefit pension finance costs/(income)	15,000	33,000
Depreciation of tangible fixed assets	111,508	82,971
(Increase)/decrease in debtors	115,990	(134,657)
Increase/(decrease) in creditors	(172,308)	197,185
Net cash inflow/(outflow) from operating activities	373,232	64,557

20 Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase/(decrease) in cash	301,389	254,227
Net funds at 1 September 2014	562,559	308,332
Net funds at 31 August 2015	863,948	562,559

21 Analysis of net funds

	At 1 September 2014 £	Cash flows £	Non-cash changes £	At 31 August 2015 £
Cash at bank and in hand	562,559	301,389	-	863,948

22 Members' liability

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

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

23 Related parties

Owing to the nature of the Academy Trust's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. No transactions with related parties occurred during the year.

24 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £39,167 (2014: £35,597) were payable to the schemes at 31 August 2015 and are included within creditors.

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.

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

24 Pensions and similar obligations

(Continued)

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 (currently 14.1%))
- 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 year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £166,912 (2014: £153,659).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, 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 the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 13.6% for employers and 5.5 to 6.8% for employees. The estimated value of employer contributions for the forthcoming year is £122,000. Based on the latest actuarial report for the deficit recovery payments, these are due to increase at 4% per annum over the next 2 years. The deficit contributions will be reviewed following the next triennial valuation in 2016.

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.

Contributions made	2015 £	2014 £
Employer's contributions (rounded)	120,000	120,000
Employees' contributions (rounded)	41,000	36,000
Total contributions	161,000	156,000
Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.8	3.7
Rate of increase for pensions in payment	2.3	2.2

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

24 Pensions and similar obligations

(Continued)

Discount rate for scheme liabilities	4	4
Inflation assumption (CPI)	2.3	2.2

Sensitivity analysis at 31 August 2015:

	Central £000	Sensitivity 1 + 0.1% p.a. discount rate £000	Sensitivity 2 + 0.1% p.a. inflation £000	Sensitivity 3 1 yr increase in life expectancy £000
Liabilities	1,989	1,945	2,034	2,024
Assets	(1,155)	(1,155)	(1,155)	(1,155)
Deficit/(surplus)	834	790	879	869

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

	2015 Years	2014 Years
Retiring today		
- Males	22.9	22.8
- Females	25.4	25.3
Retiring in 20 years		
- Males	25.1	25
- Females	27.8	27.7

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

24 Pensions and similar obligations

(Continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	6.5	397,000	7.0	481,000
Government bonds	2.5	64,000	2.9	2,000
Other bonds	3.6	30,000	3.8	257,000
Cash/liquidity	0.5	15,000	0.5	23,000
Property	6.1	105,000	6.2	93,000
Other assets	6.5	544,000	7.0	111,000
Total market value of assets		1,155,000		967,000
Present value of scheme liabilities - funded		(1,989,000)		(1,704,000)
Net pension asset / (liability)		(834,000)		(737,000)

The expected rate of return on plan assets is based on market expectations. The assumptions used to determine the expected rate are an average of the assumed market expectations appropriate to the individual asset classes weighted by the proportion of the assets in a particular class. The actual return on scheme assets was £41,000 (2014: £62,000).

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	143,000	152,000
Past service cost	-	-
Total operating charge	143,000	152,000
Finance costs/(income)		
Expected return on pension scheme assets	(57,000)	(43,000)
Interest on pension liabilities	72,000	76,000
Net finance costs/(income)	15,000	33,000
Total charge/(income)	158,000	185,000

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

24 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	16,000	(83,000)
Experience (gains)/losses on liabilities	-	(98,000)
(Gains)/losses arising from changes in assumptions	43,000	(14,000)
Total (gains)/losses	59,000	(195,000)
Cumulative (gains)/losses to date	(139,000)	(198,000)

Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(1,704,000)	(1,597,000)
Current service cost	(143,000)	(128,000)
Interest cost	(72,000)	(76,000)
Contributions by employees	(41,000)	(36,000)
Actuarial gains/(losses)	(43,000)	112,000
Benefits paid	14,000	51,000
Curtailments and settlements	-	(30,000)
At 31 August 2015	(1,989,000)	(1,704,000)

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	967,000	730,000
Expected return on assets	57,000	43,000
Actuarial gains/(losses)	(16,000)	89,000
Contributions by employers	120,000	120,000
Contributions by employees	41,000	36,000
Benefits paid	(14,000)	(51,000)
At 31 August 2015	1,155,000	967,000

WATERLOO PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

24 Pensions and similar obligations

(Continued)

History of experience gains and losses

	2015 £	2014 £	2013 £
Present value of defined benefit obligations	(1,989,000)	(1,704,000)	(1,597,000)
Fair value of share of scheme assets	1,155,000	967,000	730,000
Surplus / (deficit)	<u>(834,000)</u>	<u>(737,000)</u>	<u>(867,000)</u>
Experience adjustment on scheme assets	(16,000)	89,000	58,000
Experience adjustment on scheme liabilities	<u>-</u>	<u>98,000</u>	<u>-</u>