

Company Registration Number: 08331922 (England & Wales)

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Feltons
Chartered Accountants

Birmingham
B1 3JR

MONDAY



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COMPANIES HOUSE

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

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THE WAVERLEY EDUCATION FOUNDATION LTD
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Ivy Caesar Gilroy Altamond Brown Prof Colin James Diamond CBE
Trustees	Ivy Caesar Kamil Hanif OBE Uzma Shaheen Susan Melba Barratt CBE Katherine Rhonwen Clarke James Robert Sutton Prof Colin James Diamond CBE Gilroy Altamond Brown Ann Lloyd (appointed 21 March 2022, resigned 31 August 2022)
Company registered number	08331922
Company name	The Waverley Education Foundation Ltd
Principal and registered office	Waverley School 311 Yardley Green Road Bordesley Green East Birmingham B9 5QA
Chief executive officer	Mr K Hanif OBE
Senior management team	Mr K Hanif OBE, CEO Mrs R Sohal, CFO Mr M Morton-Hire, Principal WSC Mr J Anderson, Vice Principal WSC Mrs A Lloyd, Head of School WS (Sec) Mrs S Dosanjh, Head of School WS (Pri) Mr M Kamara, Vice Principal WS Mr H Derry, Vice Principal WS Mrs J Kler, Director of Safeguarding
Independent auditors	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	NatWest / RBS 5th Floor 2 St Phillips Place Birmingham B3 2RB

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Solicitors

Irwin Mitchell LLP
Imperial House
31 Temple Street
Birmingham
B2 5DB

THE WAVERLEY EDUCATION FOUNDATION LTD
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The multi academy trust operates one all through school (4-19) and one studio college (14-19) serving catchment areas in the East Birmingham area which are:

- Waverley School
- Waverley Studio College

They have a combined pupil capacity of 2,245 and had a roll of 1,968 in the school census of Autumn 2022.

Structure, governance and management

a. Constitution

The multi academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the multi academy trust.

The Trustees of The Waverley Education Foundation Ltd are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Waverley Education Foundation Trust Ltd.

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

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the multi academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on multi academy business. The insurance provides cover up to an unlimited value on any one claim.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

Trustees may be appointed by the Board of Members provided that the person who is appointed is:

- a person who lives or works in the community served by the multi academy; or
- a person who, in the opinion of the Board of Trustees, is committed to the governance and success of the multi academy.
- appointment is made dependant on the skills set they can bring to the board
- direct approach to the Trust
- Governors for Schools (formerly SGOSS), Inspiring Governance
- meeting with the CEO/EP

e. Policies adopted for the induction and training of Trustees

The Board of Trustees has a service level agreement with School & Governor Support (Birmingham City Council) to provide training, advice and support to the Board of Trustees.

Newly elected Trustees & Governors attend induction training, and in addition select specific training provided by School & Governor Support in accordance with their needs. Any associated costs incurred by Governors/Trustees/Members will be reimbursed as per the Member, Trustee & Governor Allowances Policy

All of the Trustees are alerted to training opportunities, and are encouraged to attend to enhance the knowledge base of Trustees. Trustees will discuss training undertaken and share information about relevant training and will provide information to trustees following such training.

The Executive Assistant has oversight of governance for professional development in the Trust, and he/she ensures that trustees are provided with opportunities to receive training in accordance with their role, and the school's training plan.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

f. Organisational structure

The Board of Members have established committees and appoint Trustees to serve on each of the committees annually. The committees for the period of the report were:

Board of Members

- CEO Performance & Remuneration
- Approval of Statutory Accounts

Board of Trustees

- Finance and Estates
- Pay & Remuneration
- Risk & Audit

The written terms of reference of the committees include the monitoring of the preparation and management of the multi academy's budget and implementation of the multi academy's financial management policies, including risk assessment.

The Board of Trustees also appoints a responsible officer and this role has been fully implemented in accordance with the multi academy trust's financial procedures.

Those responsibilities delegated to management include Accounting Officer, Chief Executive Officer, Chief Finance Officer.

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

In determining Senior Leader Pay levels, the calculation for Individual School Range as per DfE guidelines and section 2.31 of the Academies Financial Handbook is exercised and adhered to. Salaries identified as a result of the outcome are adopted. Individual pay ranges have been agreed and approved by the Trustees. These salaries are based on a seven-point range for the Chief Executive Officer and Executive Principal and a five-point range for other leadership roles. Incremental rises are dependent upon the successful completion of the previous year's performance management cycle. Senior Leader performance is reviewed by external advisors. The Performance management process for the workforce is quality assured/moderated by the Principals and an external advisor. The overall outcomes are scrutinised/agreed by the Trustees in the autumn term meeting.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
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Total cost of facility time	3,722
Total pay bill	37,224
Percentage of total pay bill spent on facility time	10.0 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

None.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The Trust aims to provide employees with information on all matters concerning them. We share strategies, performance objectives, our vision and values which helps employees feel valued and well informed. Continued Professional Development and staff training is strongly encouraged. This is delivered within the Trust via electronic platforms as well as training events delivered by external providers. The 2 academies within the Trust both provide a nurturing, vibrant and innovative environment. The Trust is dedicated to staff well-being. All staff have access to counselling, online GP service, bereavement support and dealing with other traumas that their lives may bring. The Trust has also signed up to the DfE Staff Wellbeing Charter.

The Trust values of Humanity, Equality, Aspiration and Respect (HEAR), are instilled within our Schools, and are incorporated into everything we do.

Humanity: Enabling all pupils to succeed in a global and British Society, through fostering an understanding of human values and attitudes, past and present.

Equality: We value the diversity of the school community and respect the individuality of each person to ensure that there is an equality of opportunity for everyone.

Aspiration: We all have the right to achieve and share the achievements (excellence) from all our backgrounds.

Respect: We value diversity and respect the individuality of each person by creating an environment which allows all to flourish through mutual respect.

Objectives and activities

a. Objects and aims

Our schools incorporate our values of Humanity, Equality, Aspiration and Respect (HEAR), which upholds The United Nations Convention on the Rights of the Child. In turn, this supports us in providing an environment that allows all learners to flourish because mutual respect is encouraged alongside a strong desire to learn.

We regularly review the work of the schools so that our pupils can receive the best possible advantages and opportunities we create for them. The Trust, through its two schools, aims to provide a first-class education for children of all genders from the ages 4 to 19. We aim to provide a structured purposeful environment in which all children can flourish academically, regardless of their background. Our Trust motto of 'Learning Through Diversity' is a strong expression of this intent. We serve all members of our community and help them to be the best that they can be in all aspects of their lives. This is underpinned by our school values of Humanity, Equality, Aspiration and Respect (HEAR) which permeate every aspect of life within the Trust.

Through a thoughtfully constructed curriculum, we emphasise academic and vocational development. We enable our children to develop knowledge and skills in logical sequence that builds on previous episodes of learning.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

Waverley School hosts a highly effective Resource Base catering for 57 primary and secondary children with high level special educational needs and/disabilities. In collaboration with a local Special School, we host an additional cohort. As such, our provision is inclusive and we are effective in meeting the needs for all of our learners, even those with the most complex learning needs.

We support the development of the whole child, enabling our learners to become citizens of modern Britain through a comprehensive programme of personal development. We deliver on the requirements of the Spiritual, Moral, Social and Cultural agenda, as well as focusing on British Values. We emphasise relationship, health and (age appropriate) sex education, and we have implemented a curriculum, which meets the requirements of the statutory content from July 2021. Delivery of personal development occurs through a range of approaches- through bespoke courses, through assemblies, and through appropriate external agency and/or guest speaker input and also permeates the everyday work in both of our schools – it is not a 'bolt-on'.

We are strong advocates for supporting children pastorally. In both schools we employ staff to support students as they progress towards adult life. This includes Achievement Coordinators, Learning Mentors and Counsellors. We believe that supporting children through difficult times gives them the resilience to cope with the vicissitudes of the modern world.

An extensive careers programme, offered by both schools, supports children to become effective members of society. Children have a chance to engage in work experience, benefit from mock interviews, and attend a number of careers fairs. Students at Waverley Studio College in the Sixth Form also benefit from an extended careers programme, providing all students with a high-quality placement directly related to their pathway of study for one day per week. Waverley School meets all the mandatory requirements of the Baker Clause.

As a Trust, we pride ourselves on our training provision, not only for our own staff, but also for the next generation of teachers. We are delighted to host School Direct Trainees along with trainees from a range of other initial teacher training providers. In 2021-22 a substantial number of teaching staff across a range of career stage posts participated in the newly revised National Professional Qualifications (NPQs). The Trust believes in enabling staff to participate in training, which builds upon their expertise and helps them in their career development.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

b. Objectives, strategies and activities

The main objectives for the forthcoming academic year are:

- Further improve outcomes for all learners including:
 - o Ensure that the achievement of boys improves in Key Stage 4 and 5
 - o Ensure that there is no significant difference in outcomes for any group of children as determined by ethnicity designations.
- Support all teachers, regardless of career stage, to develop into outstanding practitioners
- Improve recruitment of students/pupils into Reception, Year 7, 12 at Waverley School and Year 10 at Waverley Studio College
- To manage the extensive building work being undertaken to accommodate our growing planned admission number in Waverley School – Secondary phase,
- Continue to embed high behaviour expectations from pupils
- Further improve the teaching of early reading and phonics at KS1
- Reinforce consistency and increase joint planning opportunities across all subjects and key stages at Waverley School
- Continue to improve attendance and punctuality
- Continue to develop on-line learning platforms to allow for remote learning
- Continue to develop effective engagement with parents and the local community.
- Careful consideration of staff workload, wellbeing and effective and efficient work practice in the strategic management of both schools-through our policies, systems, processes and ways of working

The strategies adopted for achieving these objectives are:

- Delivery of a newly revised curriculum offering breadth and depth of content whilst considering the sequence of learning with respect to the acquisition of knowledge and skills
- Introduce further rigour to the review of data to drive specific interventions that are well matched to the needs of individuals who are not yet making good progress. Every teacher to hold documented evidence of interventions being implemented as a result of this data analysis
- Analysis to be conducted at subgroup level with specific individuals being highlighted to receive interventions to ensure no individual or group is overlooked.
- Develop a yearlong approach to staff continued professional development that focuses on the best practice from research, seeking for all teachers to be creative and engaging leading to excellent student engagement.
- Development and implementation of a yearlong strategy for recruitment of students, including promoting movement into our own Sixth Forms for our Key Stage 4 students.
- Ensure that necessary building works are well managed to avoid disruption to learning, resulting in modern well-equipped additional classrooms.
- Introduction of robust data analysis of behaviour trends to identify teachers, students and faculties that would benefit from additional support.
- Implement revised attendance strategy to ensure all instances of absence are rigorously challenged.
- Link families to timely external support supporting children to attend school. Develop and implement a remote learning strategy that allows a seamless switch from face-to-face teaching to remote teaching as and when required.
- Develop mechanisms for involving parents and the community within our schools that allow our usual engagements
- Employ alternative methods of communicating with parents at forums, such as 'Friends of Waverley'.
- Provide opportunities for teaching staff to collaborate across all subjects and key stages at Waverley School
- Creative staff wellbeing/ staff voice groups to include staff stakeholder views and ideas in making efficiencies and improvements in our policies, processes and ways of working

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

Significant activities linked to the Trust's charitable activities, and how they further its aims, have been:

- The Trust embraces all opportunities to work with charities, using its strong ties with ACEF – a charity supporting over 900 children to attend school in deprived areas of Kenya.
- The Trust also supported the following charities through fundraising and curriculum awareness to enhance pupil's knowledge of society and good citizenship as well as supporting the school values of HEAR': Sport Relief, Children in Need, Macmillan

c. Public benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Waverley Education Foundation Trust Ltd is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

Waverley Studio College:

Waverley Studio college focusses heavily on preparing students for the world of work. In both Key Stage 4 and 5 students benefit from extensive support and careers guidance. This includes both whole experiences and bespoke individual support. Work experience provision is extensive with Year 10 engaging in a week-long programme of experience in March each year. In Years 12 and 13 this is further extended with students engaging in a full day of work experience each week engaging with employers specifically linked to their curriculum pathway.

Despite the challenges of national lockdowns over the last 2 years, our Studio College has continued to recruit learners into Year 10 and Year 12. This year we have recruited 71 students into Year 10 and 73 into Year 11. This brings our total population in Key Stage 4 to 144, which is significantly higher than in previous years. We also recruited 53 pupils in Year 12, bringing our total population in Sixth Form (Key Stage 5) to 111. The College continues to be a popular destination at Key Stage 5 with many students recruited because of the improving reputation of the College within the community, and the school's academic performance. The most recent Section 8 Ofsted Inspection grading of 'Good' is likely to further enhance the school's reputation across both KS4 and KS5.

All students achieved full Level 3 qualifications (2022). The College introduced a new Level 3 Childcare Cache qualification during this academic year. We are proud to share that our students achieved 100% pass rate, with some learners gaining a Level 3 qualification that would otherwise have not been accessible to them. Finally, students achieving MMM or higher improved from previous years with an increase from 68% to 87% and the DDM figure increasing from 26% to 63%.

In Year 11, students performed very well despite the challenges the Covid-19 pandemic presented. 53% of students entered for GCSE English and Maths achieved a Grade 4 or above, with 32% of those students achieving the 'strong' grade 5 pass in both subjects. Science results have also improved since 2019 and again despite the challenges the pandemic caused in relation to BTEC delivery, results remained strong. Many students left Waverley Studio College and moved on to more academic pathways, something they would not have achieved without the blended academic and vocational pathway offered by the school.

Again, despite the challenges the school has faced with the pandemic, attendance for both KS4 and KS5 students remained above the national average for the academic year 2021-2022. Exclusions and permanent exclusions for behaviour were also considerably below the national average.

Waverley School:

Primary:

2022 Statutory assessments took place before the end of the academic year.

In Early Years Foundation Stage (EYFS) the attainment for the Good Level of Development (GLD) in 2022 (62.9%) meets the local authority average (63%) and is in line with the national average (66.4%). The three-year trend in school shows an average of 72.5% and highlights that although the school currently meets local and national figures the slight dip in results indicates the huge impact Covid has had on our younger pupils. As children join EYFS from other nursery providers or without nursery provision at all, we find that many of our children start in Reception with a diverse range of starting points, often working below their age-related expected performance. As a result of our provision, our learners engage quickly in school life and catch up to the expected standard.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

At Key Stage 1, 72.9% of pupils passed the Year 1 Phonics Screening test. This result is in line with local authority (75.6%) and national average (76.1%). The expected attainment in Reading (69%) exceeds local authority (66.9%) and national average (67.6%). This is similar with the greater depth results in Reading (18.3%), this exceeds local authority average (15.5%) and meets the national average (18.4%). The expected attainment in Writing (47.9%) is lower than local authority (58.7%) and national average (59.2%), this was mainly due to the disruption of Covid and lost learning. However, pupils have made good progress in this year group. The expected attainment in Maths (67.6%) meets that of local authority (67.2%) and national average (68.7%). The results for pupils attaining greater depth in Maths is strong (25.4%) and exceeds local authority (12.6%) and national average (15.8%).

At Key Stage 2, the expected standard in Reading (71%) is in line with local authority (73%) and national average (74%). This is similar with the greater depth results (21%), which is broadly in line with local authority (27%) and national average (28%). The expected standard of Writing (67%) exceeds local authority (64%) and is line with national average (69%). The expected standard in Maths (72%) exceeds local authority (69%) and national average (71%). This is also shown with the attainment for greater depth for Maths (23%), higher than the local authority and national figure of 22%. Similar results are seen with the Grammar, Punctuation and Spelling (73%) where the school results exceeds that of national average (72%).

Secondary:

At Key Stage 4, the Progress 8 for 2022 was -0.06 which is pleasing given the devastating impact of the Covid-19 pandemic.

59.4% of our pupils achieved 9-4 in English and Mathematics compared with 58.9% in 2019. For 9-5 in English and Mathematics, pupils achieved 40.1% compared with 37.3% in 2019. Finally, pupils achieving 7+ in English and Mathematics rose in 2022 to 11.5% from 9.6% in 2019. English progress (0.4) is significantly above the national average and puts Waverley School in the top 20% for English progress. Changes to the curriculum made in 2022 with Year 9 now covering a KS3 curriculum to prepare students for KS4 examinations is likely to further improve results over time.

Sixth Form:

The average grade for academic qualifications (A-Levels) was C- in 2019 and has improved to C in 2022. For vocational qualifications (BTEC and other similar courses) the average grade was Distinction in 2019 and remains as Distinction in 2022, despite the impact of the Covid-19 pandemic.

Year on year all of our Year 13 students secure post-18 destinations, and this year continues this positive trend. For the first time in many years, more students have secured university places in institutions outside the West Midlands. Many have secured places at prestigious institutions including Russell Group universities. The changes to the curriculum at KS5 are designed to recruit more students to our sixth form and provide a more diverse range of subjects moving forward.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Waverley School: Resource Base (Primary & Secondary)

Within the secondary and primary Resource Base groups there have been many successes. These vary from a child being able to sound their phonics, say their first words or write simple sentences independently, to the excellent achievements of the year 11's. They were exceptional in art where all passed their GCSE, one student to a level 8. All these students are now attending specialist provision or college for post-16 provision. Our students have attended trips to develop their social skills and a number received the Head-teacher award. Our new targets for this year is to get more year 11's into our 6th form, develop the KS4 curriculum pathway and design a post-16 programme of study.

a. Key performance indicators

- Direct costs as a percentage of total costs were 67.6% (2021 : 69.2%)
- Support costs as a percentage of total costs were 32.4% (2021 : 30.8%)
- Total payroll costs as a percentage of recurring income were 81.3% (2021 : 77.6%)

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the multi academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The financial results of Waverley Education Foundation Multi Academy are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Finance Handbook for Academies published by the ESFA and requirements as laid down by the Multi Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the multi academy.

During the year ended 31 August 2022 total resources expended were £15,038,314 and the deficit of expenditure over income was £1,100,134 which included depreciation of £1,115,862.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The multi academy had total funds at 31 August 2022 of £34,331,789 which included £1,772,805 restricted funds not available for general purposes of the multi academy trust, £2,112,594 of free reserves defined as unrestricted funds available for general purposes and £33,079,390 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £3,885,399.

In addition, the deficit on the restricted pension fund of £2,633,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

The Members aim for Reserves to remain as per the Reserves policy set by members. Reserves as per the policy are maintained as follows: Waverley School 4.5% and Waverley Studio College 3.5% of the in-year GAG funding. In light of varying financial pressures arising such as unstable pupil numbers, Pension deficits and capital projects, the percentage of Reserves may fluctuate.

b. Investment policy

Surplus funds at the year end are not separately invested.

c. Principal risks and uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Areas of focus are:

- Ensuring pupil numbers are maintained within the Trust in order to maximise income.
- Ensure medium/ long term financial planning is carried out and regularly monitored, bearing in mind uncertainties, e.g. Pension Scheme inflation and deficits
- Ensuring appointments of key staff is achieved to ensure stability within the Trust

Attention has also been focused on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

Fundraising

The Trust does not, and has not engaged in any formal fundraising efforts. Both academies raise charitable donations for national charities, such as Children in Need and Macmillan Coffee Morning. Donation raised in respect of external charities are deposited into the academy bank account and paid to the relevant charity via cheque, bank transfer or via the charities paying in slip.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

Plans for future periods

Plans for the future include ensuring pupil recruitment is robust at both the MAT schools is to the maximum capacity, to ensure stability in the funding stream to schools.

Ensuring additional buildings are fully equipped with teaching and learning resources. Capital investment will be made to ensure the Waverley School environment is remodelling and refurbished for Resource Base pupils in the primary phase. This includes remodelling of classrooms and hygiene rooms.

The Trust has also invested in ensuring that the ICT infrastructure is up-to-date and robust after the early contract exit of Lend Lease. The Trust will continue to invest in the ICT of the school to ensure equipment is in good working order for staff and pupils to enjoy a stable ICT environment.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2022 and signed on its behalf by:



Susan Melba Barratt CBE
(Chair of Trustees)

THE WAVERLEY EDUCATION FOUNDATION LTD
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GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the CFO, 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 Waverley Education Foundation 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.

THE WAVERLEY EDUCATION FOUNDATION LTD
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GOVERNANCE STATEMENT (CONTINUED)

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 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Ivy Caeser (member)	6	6
Kamil Hanif OBE (Accounting officer)	1	6
Uzma Shaheen	5	6
Susan Melba Barratt CBE (Chair)	6	6
Katherine Rhonwen Clarke	5	6
James Robert Sutton	4	6
Prof Colin James Diamond CBE (member)	3	3
Gilroy Altamont Brown (member)	3	3
Ann Lloyd	3	3

Members/Trustees work together to carry out their core functions for the Waverley Education Foundation Trust:

1. ensuring there is clarity of vision, ethos and strategic direction
2. holding executive leaders to account for the educational performance of the organisation and its pupils and the performance management of staff
3. overseeing the financial performance of the organisation and making sure its money is well spent
4. ensuring academic outturn is monitored
5. ensuring the voices of stakeholders are heard

Trustees are responsible for governing a charitable company and directing how it is managed and run. Trustees must also ensure that the trust complies with all legal and statutory requirements. Trustees should seek the advice of the board's governance professional and other professional advice as appropriate.

The trust board's strategic responsibilities

The trust board works closely with their senior executive leaders. Senior executive leaders are responsible for day-to-day operational management of the trust and its schools, whereas the role of the board is strategic. As such, trustees are responsible for:

- determining the mission, values and long-term ambitious vision for the trust
- deciding the principles that guide trust policies and approving key policies
- appointing and appraising senior executive leaders and making pay recommendations
- working with senior leaders to develop a strategy for achieving the vision
- ensuring that stakeholders are involved, consulted and informed as appropriate
- ensuring that all schools in the trust deliver a broad and balanced curriculum such that pupils are well prepared for the next stage of their education and adult life
- taking ownership of the trust's financial sustainability and ensuring effective resource management across the trust
- agreeing the trust's staffing structure and keeping it under review to ensure it supports delivery of the strategy
- ensuring robust risk management policy and procedures are in place and that risk control measures are appropriate and effective

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Monitoring and evaluating trust performance

Trustees monitor the priorities that have been set to ensure progress is being made by:

- measuring the trust's impact and progress towards its strategic objectives
- ensuring the required policies and procedures are in place and the trust is operating effectively in line with these policies
- holding the senior executive leaders to account for standards, financial probity and compliance with agreed policies
- evaluating relevant data and feedback provided by senior executive leaders and external reporting on all aspects of trust performance
- asking challenging questions of the senior executive leader in order to hold them to account
- ensuring that there are policies and procedures in place to deal with complaints effectively

Conflicts of interest

- A register of interests is maintained this also a standing agenda item within every meeting, which prompts any new declarations. Should there be an identified conflict of interest, Where there is an item on the agenda in which there is a conflict of interest, the participant declares this at the start of the meeting and withdraw for that part.

In managing conflict of interest and ensuring the Trust is not impacted by this, the Academies Trust Handbook and guidance within it is strictly adhered to. Below are listed are examples, but are not limited to

- o The Handbook requires that boards must ensure that requirements for managing connected party transactions are applied across their academy trust.
- o Chairs and the accounting officer must ensure that their capacity to control and influence does not conflict with these requirements.
- o Academy trusts must also ensure that a competitive tendering policy is in place and that it is followed.
- o There is a balance to be struck between giving academies the independence that is their key characteristic while still ensuring that sufficient levels of scrutiny are still in place.

The Board of Trustees with the remit of Finance and Estates Committee has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ivy Caesar	6	6
Kamal Hanif	1	6
Uzma Shaheen	5	6
Ann Lloyd	3	3
Susan Melba Barratt (Chair)	6	6
Katherine Rhonwen Clarke	5	6
James Robert Sutton	4	6

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board of Trustees with the remit of Audit and Risk has met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Uzma Shaheen	1	3
Katherine Clarke	3	3
James Sutton	3	3

Review of value for money

As accounting officer, the CFO has responsibility for ensuring that the multi 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 or by using a framework where appropriate*. The accounting officer for the Multi Academy Trust has delivered improved value for money during the year by :

- Reviewing deployment of staffing resources to reduce reliance upon external agency staff.
- Reviewing deployment of the work force to ensure efficiency
- Introducing new software systems to enhance and improve the efficiency of internal operations.
- Monitor and manage the schools within the Trust to ensure the best outcomes for pupils in all phases.
- Regular monitoring of leases and contracts to ensure that best value is achieved within all sectors of school operations.
- Ensuring regular and robust review of staffing within all areas of the Trust, to ensure best value is achieved

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 multi 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 Waverley Education Foundation Trust for the year 1 September 2021 to 31 August 2022 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 multi academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the multi academy trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Audit Committee and the Board of Trustees.

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The multi 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 Finance and General Purposes 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
- identification and management of risks
- comprehensive monthly management accounts that confirm all control accounts/ledger posting/bank accounts reconcile
- a detailed monthly reconciliation of salaries

The Board of Trustees has decided to appoint the Responsible Officer to carry out a programme of internal checks, the Financial Consultants of DRB Financial Consulting Services to perform a peer review and

His/her role includes giving advice on financial matters and performing a range of checks on the multi academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control accounts / bank reconciliations
- testing the income stream
- testing process and protocol

On a half termly basis, the Chief Executive Officer and Director of Finance report to the Board of Trustees, through the finance and general purposes committee on the operation of the systems of control. This includes a review of the discharge of the Board of Trustees' financial responsibilities. The Chief Executive Officer and the CFO also prepare an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the multi academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;
- the work of the internal reviewer

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 estates committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7 December 2022 and signed on their behalf by:

Susan Barrett CBE

Mrs S Barrett CBE
Chair of Trustees

Mrs R Sohal
Accounting Officer



THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Waverley Education Foundation Ltd I have considered my responsibility to notify the multi academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the multi academy trust, under the funding agreement in place between the multi 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 2021.

I confirm that I and the multi academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the multi academy trust, or material non-compliance with the terms and conditions of funding under the multi academy trust's funding agreement and the Academies Financial Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

Mrs R Sohal
Accounting Officer
7 December 2022



THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2022 and signed on its behalf by:


Susan Melba Barratt CBE
(Chair of Trustees)

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WAVERLEY EDUCATION FOUNDATION LTD**

Opinion

We have audited the financial statements of The Waverley Education Foundation Ltd (the 'multi academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the multi academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the multi academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WAVERLEY EDUCATION FOUNDATION LTD (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the multi academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WAVERLEY EDUCATION FOUNDATION LTD (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We reviewed the multi academy trust's control and risk management procedures and planned our work based on our assessment of those controls and procedures;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the multi academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WAVERLEY EDUCATION FOUNDATION LTD (CONTINUED)**

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the multi academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the multi academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



David W Farnsworth FCA (Senior Statutory Auditor)

**For and on behalf of
Feltons**

8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

7 December 2022

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
WAVERLEY EDUCATION FOUNDATION LTD AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 March 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Waverley Education Foundation Ltd during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Waverley Education Foundation Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Waverley Education Foundation Ltd's funding agreement with the Secretary of State for Education dated 25 July 2013 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes :

- * Consideration of the applicable legislation and the multi academy trust's funding agreement
- * Review and evaluation of the Multi Academy Trust's system of internal controls
- * Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- * Examination, on a test basis, of third party evidence supporting income and expenditure
- * Review of exceptional and unusual items

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
WAVERLEY EDUCATION FOUNDATION LTD AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Feltons

David W Farnsworth FCA (Reporting Accountant)

For and on behalf of
Feltons
Statutory Auditor

8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

7 December 2022

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	-	-	226,376	226,376	1,377,944
Charitable activities		100,731	13,611,073	-	13,711,804	13,611,852
Total income		100,731	13,611,073	226,376	13,938,180	14,989,796
Expenditure on:						
Charitable activities	6	23,531	13,898,921	1,115,862	15,038,314	13,912,982
Total expenditure		23,531	13,898,921	1,115,862	15,038,314	13,912,982
Net income/(expenditure)		77,200	(287,848)	(889,486)	(1,100,134)	1,076,814
Transfers between funds	18	-	(208,334)	208,334	-	-
Net movement in funds before other recognised gains/(losses)		77,200	(496,182)	(681,152)	(1,100,134)	1,076,814
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	5,611,000	-	5,611,000	(1,010,000)
Net movement in funds		77,200	5,114,818	(681,152)	4,510,866	66,814
Reconciliation of funds:						
Total funds brought forward		2,035,394	(5,975,013)	33,760,542	29,820,923	29,754,109
Net movement in funds		77,200	5,114,818	(681,152)	4,510,866	66,814
Total funds carried forward		2,112,594	(860,195)	33,079,390	34,331,789	29,820,923

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

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08331922

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	35,026,288	35,866,637
		<u>35,026,288</u>	<u>35,866,637</u>
Current assets			
Debtors	14	287,409	278,840
Cash at bank and in hand		7,937,502	4,806,125
		<u>8,224,911</u>	<u>5,084,965</u>
Creditors: falling due within one year	15	(4,502,304)	(1,729,984)
Net current assets		<u>3,722,607</u>	<u>3,354,981</u>
Total assets less current liabilities		<u>38,748,895</u>	<u>39,221,618</u>
Creditors: amounts falling due over one year	16	(1,784,106)	(1,948,695)
Net assets excluding pension liability		<u>36,964,789</u>	<u>37,272,923</u>
Defined benefit pension scheme liability	26	(2,633,000)	(7,452,000)
Total net assets		<u><u>34,331,789</u></u>	<u><u>29,820,923</u></u>
Funds of the multi academy trust			
Fixed asset funds	18	33,079,390	33,760,542
Restricted income funds	18	1,772,805	1,476,987
		<u>34,852,195</u>	<u>35,237,529</u>
Restricted funds excluding pension asset	18	34,852,195	35,237,529
Pension reserve	18	(2,633,000)	(7,452,000)
Total restricted funds	18	<u>32,219,195</u>	<u>27,785,529</u>
Unrestricted income funds	18	<u>2,112,594</u>	<u>2,035,394</u>
Total funds		<u><u>34,331,789</u></u>	<u><u>29,820,923</u></u>

The financial statements on pages 30 to 61 were approved by the Trustees, and authorised for issue on 07 December 2022 and are signed on their behalf, by:

Susan Barratt CBE
Susan Melba Barratt CBE (Chair of Trustees)

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	20	3,337,914	1,545,255
Cash flows from investing activities	22	(49,137)	(605,851)
Cash flows from financing activities	21	(157,400)	(150,527)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		3,131,377	788,877
Cash and cash equivalents at the beginning of the year		4,806,125	4,017,248
Cash and cash equivalents at the end of the year	23, 24	<hr/> 7,937,502 <hr/>	<hr/> 4,806,125 <hr/>

The notes on pages 33 to 61 form part of these financial statements

THE WAVERLEY EDUCATION FOUNDATION LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the multi academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 multi 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 multi academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the multi 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.

THE WAVERLEY EDUCATION FOUNDATION LTD
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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the multi academy trust has provided the goods or services.

• **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. *Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.*

• **Donated fixed assets (excluding transfers on conversion or into the multi academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the multi academy trust's accounting policies.

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1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the multi academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

These are costs incurred on the multi academy trust's educational operations, including support costs and costs relating to the governance of the multi academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset over its expected useful life.

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1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Long-term leasehold property	-	2% straight line
Furniture and equipment	-	25% reducing balance
Computer equipment	-	33% straight line

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

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 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.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the multi 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.

1.9 Financial instruments

The multi academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the multi academy trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.10 Operating leases

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

1.11 Pensions

Retirement benefits to employees of the multi academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the multi academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the multi academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 Agency arrangements

The multi academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 30.

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1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The multi 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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.

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3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	-	-	-	127
Capital Grants	-	37,576	37,576	38,482
Donated fixed assets	-	188,800	188,800	1,339,335
	<u>-</u>	<u>226,376</u>	<u>226,376</u>	<u>1,377,944</u>
<i>Total 2021</i>	<u>127</u>	<u>1,377,817</u>	<u>1,377,944</u>	

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4. Funding for the multi academy trust's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations				
DfE/ESFA grants				
General annual grant	-	11,604,869	11,604,869	11,238,446
Other DfE/ESFA grants				
Pupil premium	-	946,779	946,779	891,192
UIFSM	-	70,898	70,898	69,580
Teachers pay grant	-	13,370	13,370	179,538
Teachers pension grant	-	37,782	37,782	273,386
National tutoring programme	-	133,032	133,032	-
Supplementary grant	-	136,268	136,268	-
Others	-	65,557	65,557	41,260
	-	13,008,555	13,008,555	12,693,402
Other Government grants				
Local authority grants	-	473,043	473,043	603,872
	-	473,043	473,043	603,872
Other income from the multi academy trust's educational operations	100,731	-	100,731	119,888
COVID-19 additional funding (DfE/ESFA)				
Recovery/Catch-up Premium	-	126,475	126,475	166,180
Other DfE/ESFA COVID-19 funding	-	3,000	3,000	28,510
	-	129,475	129,475	194,690
	100,731	13,611,073	13,711,804	13,611,852
	100,731	13,611,073	13,711,804	13,611,852
Total 2021	119,888	13,491,964	13,611,852	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	<i>Total 2021 £</i>
Educational operations:					
Direct costs	8,893,521	608,271	664,290	10,166,082	9,619,480
Allocated support costs	2,250,700	1,045,635	1,575,897	4,872,232	4,293,502
	<u>11,144,221</u>	<u>1,653,906</u>	<u>2,240,187</u>	<u>15,038,314</u>	<u>13,912,982</u>
<i>Total 2021</i>	<u>10,598,732</u>	<u>1,503,959</u>	<u>1,810,291</u>	<u>13,912,982</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Educational operations	23,531	15,014,783	15,038,314	13,912,982
<i>Total 2021</i>	<u>8,862</u>	<u>13,904,120</u>	<u>13,912,982</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Educational operations	10,166,082	4,872,232	15,038,314	13,912,982
<i>Total 2021</i>	<u>9,619,480</u>	<u>4,293,502</u>	<u>13,912,982</u>	

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	2,222,430	2,222,430	2,065,658
Depreciation	507,590	507,590	518,983
Premises costs	986,905	986,905	878,902
Legal costs	43,261	43,261	-
Other support costs	1,095,646	1,095,646	814,053
Governance costs	16,400	16,400	15,906
	<u>4,872,232</u>	<u>4,872,232</u>	<u>4,293,502</u>
<i>Total 2021</i>	<u>4,293,502</u>	<u>4,293,502</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Operating lease rentals	448,769	430,138
Depreciation of tangible fixed assets	1,115,862	1,059,412
Fees paid to auditors for:		
- audit	16,400	15,900

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	7,562,550	7,626,839
Social security costs	790,071	769,441
Pension costs	2,209,631	1,919,615
	<u>10,562,252</u>	<u>10,315,895</u>
Agency staff costs	581,969	282,837
	<u><u>11,144,221</u></u>	<u><u>10,598,732</u></u>

Staff restructuring costs comprise:

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £nil (2021 : £nil).

c. Staff numbers

The average number of persons employed by the multi academy trust during the year was as follows:

	2022 No.	2021 No.
Teachers	134	158
Administration and support	121	114
Management	11	9
	<u><u>266</u></u>	<u><u>281</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. Staff (continued)

d. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	8	8
In the band £70,001 - £80,000	2	2
In the band £90,001 - £100,000	-	1
In the band £180,001 - £190,000	1	1

e. Key management personnel

The key management personnel of the multi academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the multi academy trust was £918,854 (2021 £1,044,964).

10. Central services

No central services were provided by the multi academy trust to its academies during the year and no central charges arose.

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the multi academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
Kamil Hanif OBE	Remuneration	185 - 190	185 - 190
	Pension contributions paid	45 - 50	40 - 45
Ann Lloyd (appointed 21 March 2022, resigned 31 August 2022)	Remuneration	30 - 35	nil
	Pension contributions paid	5 - 10	nil

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

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

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

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	40,683,403	995,736	1,270,731	42,949,870
Additions	-	-	275,513	275,513
At 31 August 2022	40,683,403	995,736	1,546,244	43,225,383
Depreciation				
At 1 September 2021	5,429,057	794,904	859,272	7,083,233
Charge for the year	813,668	50,211	251,983	1,115,862
At 31 August 2022	6,242,725	845,115	1,111,255	8,199,095
Net book value				
At 31 August 2022	34,440,678	150,621	434,989	35,026,288
At 31 August 2021	35,254,346	200,832	411,459	35,866,637

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	59,774	84,407
Prepayments and accrued income	227,635	194,433
	<u>287,409</u>	<u>278,840</u>

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	189,816	375,527
Other creditors	3,390,150	1,000,629
Accruals and deferred income	922,338	353,828
	<u>4,502,304</u>	<u>1,729,984</u>

	2022 £	2021 £
Deferred income at 1 September 2021	40,589	46,035
Resources deferred during the year	42,070	40,589
Amounts released from previous periods	(40,589)	(46,035)
	<u>42,070</u>	<u>40,589</u>

At the balance sheet date the multi academy trust was holding funds received in advance for universal infant free school meals.

Included in other creditors are amounts of £3,153,308 due to Birmingham City Council for payroll costs which they have not drawn down and the trust held sufficient funds for the payment of these creditors.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	<u>1,784,106</u>	<u>1,948,695</u>

Other loans after more than one year represents a loan from Birmingham City Council repayable in monthly instalments at an interest rate of 4.4733% per annum. The amount repayable after more than five years is £1,047,092 (2021: £1,243,862). The amount due within one year is £164,589 and is included in other creditors in note 15.

17. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>7,937,502</u>	<u>4,806,125</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

18. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Other income	2,035,394	100,731	(23,531)	-	-	2,112,594
Restricted general funds						
General Annual Grant (GAG)	1,369,930	11,604,869	(11,227,765)	(208,334)	-	1,538,700
UIFSM	-	70,898	(70,898)	-	-	-
Pupil premium	-	946,779	(946,779)	-	-	-
Recovery / Catch-up premium	107,057	126,475	(80,111)	(27,900)	-	125,521
Other DfE/ESFA Covid-19 funding	-	3,000	(3,000)	-	-	-
Other grant	-	859,052	(778,368)	27,900	-	108,584
Pension reserve	(7,452,000)	-	(792,000)	-	5,611,000	(2,633,000)
	<u>(5,975,013)</u>	<u>13,611,073</u>	<u>(13,898,921)</u>	<u>(208,334)</u>	<u>5,611,000</u>	<u>(860,195)</u>
Restricted fixed asset funds						
Transfer on conversion	27,969,506	-	(722,300)	157,400	-	27,404,606
DfE Group capital grants	3,893,231	37,576	(150,331)	-	-	3,780,476
Capital expenditure from GAG	583,758	-	(137,954)	50,934	-	496,738
Capital expenditure from unrestricted funds	56,380	-	(23,609)	-	-	32,771
Donations	1,257,667	188,800	(81,668)	-	-	1,364,799
	<u>33,760,542</u>	<u>226,376</u>	<u>(1,115,862)</u>	<u>208,334</u>	<u>-</u>	<u>33,079,390</u>

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Total Restricted funds	27,785,529	13,837,449	(15,014,783)	-	5,611,000	32,219,195
Total funds	29,820,923	13,938,180	(15,038,314)	-	5,611,000	34,331,789

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the multi academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by the ESFA and Birmingham City Council where the asset acquired or created is held for a specific purpose.

Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
Other income	1,934,241	120,015	(8,862)	(10,000)	-	2,035,394
Restricted general funds						
General Annual Grant (GAG)	1,014,044	11,238,446	(10,174,247)	(708,313)	-	1,369,930
UIFSM	-	69,580	(69,580)	-	-	-
Pupil premium	-	891,192	(891,192)	-	-	-
Recovery / Catch-up premium	-	166,180	(59,123)	-	-	107,057
Other DfE/ESFA Covid-19 funding	-	28,510	(28,510)	-	-	-
Other grant	-	1,098,056	(1,098,056)	-	-	-
Pension reserve	(5,918,000)	-	(524,000)	-	(1,010,000)	(7,452,000)
	<u>(4,903,956)</u>	<u>13,491,964</u>	<u>(12,844,708)</u>	<u>(708,313)</u>	<u>(1,010,000)</u>	<u>(5,975,013)</u>
Restricted fixed asset funds						
Transfer on conversion	28,549,679	-	(730,700)	150,527	-	27,969,506
DfE Group capital grants	3,970,218	38,482	(115,469)	-	-	3,893,231
Capital expenditure from GAG	133,997	-	(108,025)	557,786	-	583,758
Capital expenditure from unrestricted funds	69,930	-	(23,550)	10,000	-	56,380
Donations	-	1,339,335	(81,668)	-	-	1,257,667

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18. Statement of funds (continued)

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
	32,723,824	1,377,817	(1,059,412)	718,313	-	33,760,542
Total Restricted funds	27,819,868	14,869,781	(13,904,120)	10,000	(1,010,000)	27,785,529
	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Total funds	29,754,109	14,989,796	(13,912,982)	-	(1,010,000)	29,820,923

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Waverley School	3,349,925	2,573,689
Waverley Studio College	535,474	938,692
Total before fixed asset funds and pension reserve	3,885,399	3,512,381
Restricted fixed asset fund	33,079,390	33,760,542
Pension reserve	(2,633,000)	(7,452,000)
Total	34,331,789	29,820,923

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18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Waverley School	7,720,305	2,056,328	266,269	2,077,151	12,120,053	11,093,174
Waverley Studio College	1,173,216	194,372	95,916	338,895	1,802,399	1,760,396
Multi academy trust	<u>8,893,521</u>	<u>2,250,700</u>	<u>362,185</u>	<u>2,416,046</u>	<u>13,922,452</u>	<u>12,853,570</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	35,026,288	35,026,288
Current assets	2,112,594	6,110,520	1,797	8,224,911
Creditors due within one year	-	(4,337,715)	(164,589)	(4,502,304)
Creditors due in more than one year	-	-	(1,784,106)	(1,784,106)
Provisions for liabilities and charges	-	(2,633,000)	-	(2,633,000)
Total	<u>2,112,594</u>	<u>(860,195)</u>	<u>33,079,390</u>	<u>34,331,789</u>

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	35,866,637	35,866,637
Current assets	2,035,394	3,049,571	-	5,084,965
Creditors due within one year	-	(1,572,584)	(157,400)	(1,729,984)
Creditors due in more than one year	-	-	(1,948,695)	(1,948,695)
Provisions for liabilities and charges	-	(7,452,000)	-	(7,452,000)
Total	2,035,394	(5,975,013)	33,760,542	29,820,923

20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,100,134)	1,076,814
Adjustments for:		
Depreciation	1,115,862	1,059,412
Capital grants from DfE and other capital income	(37,576)	(38,482)
Defined benefit pension scheme cost less contributions payable	659,000	431,000
Defined benefit pension scheme finance cost	133,000	93,000
(Increase)/decrease in debtors	(8,569)	40,745
Increase in creditors	2,765,131	222,100
Donated fixed assets	(188,800)	(1,339,334)
Net cash provided by operating activities	3,337,914	1,545,255

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21. Cash flows from financing activities

	2022 £	2021 £
Repayments of borrowing	(157,400)	(150,527)
Net cash used in financing activities	(157,400)	(150,527)

22. Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	(86,713)	(644,333)
Capital grants from DfE Group	37,576	38,482
Net cash used in investing activities	(49,137)	(605,851)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	7,937,502	4,806,125
Total cash and cash equivalents	7,937,502	4,806,125

24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	4,806,125	3,131,377	7,937,502
Debt due after 1 year	(1,948,695)	164,589	(1,784,106)
	2,857,430	3,295,966	6,153,396

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25. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	535,000	15,000

26. Pension commitments

The multi 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 West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £408,233 were payable to the schemes at 31 August 2022 (2021 - £106,994) and are included within creditors.

Teachers' Pension Scheme

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

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

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26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £934,412 (2021 - £963,465).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £585,000 (2021 - £583,000), of which employer's contributions totalled £474,000 (2021 - £478,000) and employees' contributions totalled £111,000 (2021 - £105,000). The agreed contribution rates for future years are 19.5 per cent for employers and between 5.5 per cent and 9.9 per cent for employees.

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

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

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26. Pension commitments (continued)

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 39 years.

Principal actuarial assumptions

West Midlands Pension Fund

	2022	2021
	%	%
Rate of increase in salaries	4.05	3.85
Rate of increase for pensions in payment/inflation	3.05	2.85
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	3.05	2.85
Commutation of pensions to lump sums	50.00	50.00

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.2	21.6
Females	23.6	24.0
<i>Retiring in 20 years</i>		
Males	22.9	23.4
Females	25.4	25.8

Sensitivity analysis

West Midlands Pension Fund

	2022	2021
	£000	£000
Discount rate +0.1%	(175)	(40)
Discount rate -0.1%	175	43
Mortality assumption - 1 year increase	147	41
Mortality assumption - 1 year decrease	(147)	(40)
CPI rate +0.1%	273	50
CPI rate -0.1%	(273)	(47)

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26. Pension commitments (continued)

Share of scheme assets

The multi academy trust's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	2,796,580	2,291,160
Bonds	876,540	525,840
Property	333,920	262,920
Cash and other liquid assets	166,960	676,080
Total market value of assets	4,174,000	3,756,000

The actual return on scheme assets was £(112,680) (2021 - £524,000).

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

	2022 £	2021 £
Current service cost	1,133,000	909,000
Interest income	(68,000)	(50,000)
Interest cost	201,000	143,000
Total amount recognised in the Statement of Financial Activities	1,266,000	1,002,000

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26. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	11,208,000	8,634,000
Current service cost	1,133,000	909,000
Interest cost	201,000	143,000
Employee contributions	111,000	105,000
Benefits paid	(43,000)	(67,000)
Actuarial gains/(losses) - financial assumptions	(5,789,000)	1,761,000
Actuarial gains/(losses) - demographic assumptions	(34,000)	(126,000)
Actuarial gains/(losses) - experience gains/losses	20,000	(151,000)
At 31 August	6,807,000	11,208,000

Changes in the fair value of the multi academy trust's share of scheme assets were as follows:

	2022 £	2021 £
At 1 September	3,756,000	2,716,000
Employer contributions	474,000	478,000
Interest income	68,000	50,000
Employee contributions	111,000	105,000
Benefits paid	(43,000)	(67,000)
Return on assets less interest	(192,000)	474,000
At 31 August	4,174,000	3,756,000

27. Operating lease commitments

At 31 August 2022 the multi academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	446,192	448,769
Later than 1 year and not later than 5 years	1,663,170	1,700,164
Later than 5 years	4,398,874	4,808,072
	6,508,236	6,957,005

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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. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

30. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust received £37,655 (2021 : £31,380) and disbursed £21,253 (2021 : £16,775) from the fund. An amount of £72,253 (2021 : £55,582) is included in other creditors relating to undistributed funds that is repayable to ESFA.