

**The Waverley Education Foundation Ltd**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements  
Year ended 31 August 2021**

Company Registration Number  
08331922 (England and Wales)

**Feltons  
Chartered Accountants**

**Birmingham  
B1 3JR**

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**The Waverley Education Foundation Ltd**  
**(A Company Limited by Guarantee)**

**Report and Financial Statements**  
**Year ended 31 August 2021**

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**The Waverley Education Foundation Ltd**  
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**Reference and Administrative Details**

Members	Prof Colin James Diamond CBE Ivy Caeser Gilroy Altamond Brown
Trustees	Susan Melba Barratt CBE Ivy Caeser Kamal Hanif OBE Uzma Shaheen Katherine Rhonwen Clarke James Robert Sutton Ayisha Jabin Ali (resigned 24 March 2021)
Senior Management team	
• CEO	Mr K Hanif OBE
• CFO	Mrs R Sohal
• Principal WSC	Mr Matthew Morton-Hire
• Vice Principal (WSC)	Mr J Anderson
• Head of School WS (Sec)	Mrs A Lloyd
• Head of School WS (Pri)	Mrs S Dosanjh
• Vice Principal WS	Mr M Kamara
• Vice Principal WS	Mr M Mirza
• Director of Safeguarding	Mrs J Kler
Principal and registered office	The Waverley Education Foundation Ltd Waverley School 311 Yardley Green Rd, Bordesley Green East, Birmingham B9 5QA
Company registration number	08331922
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Nat West/RBS 5 <sup>th</sup> Floor 2 St Phillips Place, Birmingham B3 2RB
Solicitors	Irwin Mitchell LLP Imperial House, 31 Temple Street, Birmingham B2 5DB

## **The Waverley Education Foundation Ltd (A Company Limited by Guarantee)**

### **Trustees' Report for the year ended 31 August 2021**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report and a directors' report (incorporating a strategic report) under company law.

The Multi Academy Trust operates 1 All through School (4-19) and 1 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 2,196 and had a roll of 1,873 in the school census in the Autumn 2021.

## **Structure, Governance and Management**

### **Constitution**

The multi academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the multi academy trust. The Members of The Waverley Education Foundation Ltd Multi Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as Waverley Education Foundation Trust Ltd.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

### **Members' liability**

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

### **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 £10,000,000 unlimited on any one claim.

### **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

**The Waverley Education Foundation Ltd  
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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The Board of Trustees has a service level agreement with the 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

The Personal Assistant to the CEO is the link for professional development in school, and he/she ensures that Trustees & Governors are provided with opportunities to receive training in accordance with their role.

**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
- Safeguarding
- Risk & Audit

**Local Governing Body – Curriculum & Standards**

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:

**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 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  
for the year ended 31 August 2021 (continued)**

**Trade union facility time**

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2018 is as follows:

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
1	0.04FTE

**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**

Total cost of facility time	£2,542
Total pay bill	£63,547
Facility time as percentage of total pay bill	0.04

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	N/A
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**Related parties and other Connected Charities and Organisations**

None.

**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 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 have also signed up with the DfE Staff Wellbeing Charter.

**The Waverley Education Foundation Ltd  
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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

**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**

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.

Waverley School hosts a highly effective Resource Base catering for 35 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 of all of our learners, including 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 requirements. 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.

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.

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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

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 fourteen 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 are participating 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.

The main objectives for the year are:

- Further improve outcomes for all learners including:
- Ensure that the achievement of boys improves in Key Stage 4 and 5
- 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 and 12 at Waverley School and Year 10 & 12 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 improve behaviour of children in the Secondary phases of both schools
- 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, including responding to the challenges of Covid-19 related absences and periods of self-isolation
- Continue to develop on-line learning platforms to allow for remote learning during periods of enforced closure for individuals, classes and year groups in response to the diagnosis of cases of Covid-19 within the school community
- Continue to develop effective engagement with parents and the local community, regardless of the current Covid-19 restrictions
- 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.
- Launch of a virtual open evening for uninterrupted promotion of our schools during the Covid-19 pandemic.



**The Waverley Education Foundation Ltd  
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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

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- 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 staff training with regard to tackling poor behaviour, with a focus on restorative justice conversations.
- 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 (such as parents evenings) to progress during the Covid-19 pandemic.
- Employ alternative methods of communicating with parents at forums, such as 'Friends of Waverley'.
- Provide opportunities for teaching staff to collaborate and across all subjects and key stages at Waverley School
- Create 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

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 and NHS Charities.

**Public benefit**

In setting our objectives and planning our activities, the Board of Trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at [www.gov.uk/running-charity/managing-charity](http://www.gov.uk/running-charity/managing-charity) in exercising their powers or duties.

Waverley Education Foundation Multi Academy 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.

**The Waverley Education Foundation Ltd  
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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

**Strategic Report**

**Achievements and Performance**

**Waverley Studio College:**

Waverley Studio College focusses heavily on preparing the 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 two-week programme of experience in June each year. In Years 12 and 13 this is further extended with students engaging in a full day of work experience each, engaging with employers specifically linked to their curriculum pathway.

Despite the challenges of a national lockdowns during 2021, our Studio College has continued to recruit learners into Year 10 and Year 12. This year we have recruited 42 students into Year 10. This brings our total population in Key Stage 4 to 102. We also recruited 67 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.

All students achieved full Level 3 qualifications (2019). 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 51% to 68%.

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 been accessible to them.

With reference to the centre assessed grades submitted by the College, Year 11 pupils improved their performance compared with the previous academic year; progress is judged to be good. The College makes use of external baseline assessments which provides predictions of percentage chances for each student in relation to them achieving the good pass standard in English and Mathematics. This is in addition to nationally calculated progress data that may not compensate for the unique curriculum offer provided by the College. In 2020/2021, 48% of pupils achieved a 4+ in English and Maths with 19% of pupils achieving 5+ in both subjects. In the College's last set of external results in 2019, 26% of students gained a standard pass (9-4) in English and Mathematics, with 12% achieving a good pass (9-5).

**Waverley School:**

**Primary:**

Given that formal assessments did not take place in 2019-20, assessed attainment in primary was based on a robust centre assessed grades process, similar to those deployed for the reported GCSE and A' Level grades.

In Early Years Foundation Stage (EYFS) the attainment for the Good Level of Development (GLD) in 2021 was below the national average of 2019 (71.8%). 55% of Reception pupils achieved the GLD and this 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  
for the year ended 31 August 2021 (continued)**

At Key Stage 1, 79% of pupils passed the Year 1 Phonics Screening test. This result is in line with previous years. The attainment in Reading, Writing and Maths was below previous years and this was mainly due to the disruption of Covid and lost learning. However, pupils have made good progress in this year group.

At Key Stage 2, 78.7% of pupils met the expected standard in Reading (5% higher than 2019 results), 51.7% in Writing (lower than 2019 results) and 70.8% in Maths (which is in line with 2019 results). These outcomes are broadly in line with national averages. The results for greater depth show an improvement on previous years (Reading 24.7%, higher than the 2019 result and in line with national average, Maths (23.6%) which is in line with 2019 result and national averages.

At Key Stage 2, the results for pupils reaching expected progress for combined Reading, Writing and Maths (48.3%). The combined result for greater depth (9%) is in line with the school result in 2019 and with national average (10.5%). 70% of pupils met the expected standard in Grammar, Punctuation and Spelling; this is slightly lower than the school result in 2019 but broadly in line with the national average of 2019 (78%). Similar results were achieved with the greater depth standard in Grammar, Punctuation and Spelling.

**Secondary:**

An improving 4-year trend 2018-2021 overall. At Key Stage 4, the Progress 8 is estimated at +0.76 and in 2020 it was +0.22. For years 2020 and 2021 this compares to the 2018 score within the sira system. Waverley School's Progress 8 is above the national floor standard (-0.5) and national average (0)-based on pre-pandemic government floor standards. The attainment 8 score is 49.63 in 2021 compared to 46.53 in 2020.

46.6% of our pupils achieved 9-5 in English and Mathematics. The school continues to significantly exceed the government's ambition that 75% of students nationally follow the English Baccalaureate programme of study by 2021 with 88.1% pupils entered for the programme. 39.8% of pupils of our pupils achieved the Ebacc standard pass, an improvement of 5.1% compared to 2020. 23.6% of our pupils achieved the Ebacc strong pass, an improvement of 6.8% compared to 2020.

These results were based on robust and moderated Teacher Assessed Grades.

**Sixth Form:**

Across all measures in both the A Level and the vocational pathway there has been an improvement compared to the 2020 results and a 3-year upward trajectory 2019-2021. The average grade has risen from B- in 2020 to B in 2021. Outcomes have improved in all subject areas. The average grade for academic qualifications (A-Levels) was B- in 2020 and has improved to B in 2021. For vocational qualifications (BTEC and other similar courses) was Distinction in 2021.

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.

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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

**Key Performance Indicators**

- Direct costs as a percentage of total costs were 69.2% (2020 : 71.0%)
- Support costs as a percentage of total costs were 30.8% (2020 : 29.0%)
- Total payroll costs as a percentage of recurring income were 77.6% (2020 : 78.5%)

**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 2021 total resources expended were £13,912,982 and the surplus of income over expenditure was £1,076,814 which included depreciation of £1,059,412.

**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 2021 of £29,820,923 which included £1,476,987 restricted funds not available for general purposes of the multi academy trust, £2,035,394 of free reserves defined as unrestricted funds available for general purposes and £33,760,542 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/deficit of £3,512,381.

In addition, the deficit on the restricted pension fund of £7,452,000 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.

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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

**Investment Policy**

Surplus funds at the year-end are not separately invested.

**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,
- Ensure long term financial planning, bearing in mind uncertainties, e.g. Pension Scheme inflation and deficits
- Whilst Teachers Pay Grants and Pension Grant have been received, sustaining the Support staff inflation factors is not supported.

Attention has also been focussed 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.

Attention has also been focussed 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.

**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.

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.

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**Trustees' Report  
for the year ended 31 August 2021 (continued)**

**Auditor**

Insofar as the Trustees are aware :

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2021 and signed on the board's behalf by:

*Susan Barratt*

..... Mrs S Barratt CBE - Chair of Trustees

**The Waverley Education Foundation Ltd  
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**Governance statement for the year ended 31 August 2021**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Waverley Education Foundation Multi Academy has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. 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 Chief Executive Officer, 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 Multi Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 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
<b><u>Members</u></b>		
Ivy Caesar	2	3
Gilroy Brown	2	3
Prof Colin Diamond CBE Chair	2	3
<b><u>Trustees</u></b>		
Ivy Caesar	5	8
Kamal Hanif OBE Accounting Officer	8	8
Uzma Shaheen	5	8
Ayisha Jabin Ali	3	6
Susan Barratt CBE: Chair	8	8
Katherine Clarke	7	8
James Sutton	5	8

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board of Trustees with the remit of Finance and Estates has formally met 8 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	5	8
Kamal Hanif	8	8
Uzma Shaheen	5	8
Ayisha Jabin Ali	3	6
Susan Melba Barratt Chair	8	8
Katherine Rhonwen Clarke	7	8
James Robert Sutton	5	5

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**Governance statement for the year ended 31 August 2021 (continued)**

The Board of Trustees with the remit of **Audit and Risk** has formally met 2 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	2
Katherine Clarke	2	2
James Sutton	2	2

**Review of value for money**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where 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.
- 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 the multi academy trust's 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 Multi Academy Trust for the year 1 September 2020 to 31 August 2021 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.



**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Governance statement for the year ended 31 August 2021 (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;
- regular comprehensive strategic forecasting indicating financial issues in the medium/long term
- 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 considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed :

- Responsible Officer, to carry out a programme of internal checks
- Feltons, an external auditor, to perform additional checks
- Financial Consultants of DRB Financial Consulting Services to perform a peer review
- Externally compiled Integrated Curriculum Financial Review

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 Director of Finance 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 for the year ended 31 August 2021 (continued)**

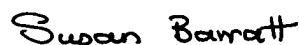
**Review of Effectiveness**

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

- the work of the internal reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process of 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 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 2021 and signed on its behalf by:



Mrs S Barratt CBE  
Chair of Trustees



Mr K Hanif  
Accounting Officer


**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Statement of regularity, propriety and compliance  
for the period ended 31 August 2021**

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 2020.

I confirm that I and the multi academy trust board of trustees are able to identify any material irregular or improper use of 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 2020.

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.



..... Mr K Hanif – Accounting Officer

7 December 2021

**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Statement of Trustees' responsibilities  
for the period ended 31 August 2021**

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

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

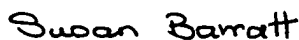
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 2021 and signed on its behalf by:



Mrs S Barratt CBE – Chair of Trustees

**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Independent Auditor's 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 for the year to 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 2020 to 2021 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 Auditor's 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 UK, including the FRC'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 Auditor's 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 trustees annual report, other than the financial statements and our auditor's 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 matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Multi Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 Auditor's Report on the Financial Statements to the Members of The Waverley Education Foundation Ltd**  
**(continued)**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement (set out on page 18), the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the multi academy trust's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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.

**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of The Waverley Education Foundation Ltd  
(continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

- 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 on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the charitable company 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 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the multi academy trust and the multi academy trust's 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, Statutory Auditor  
8 Sovereign Court  
8 Graham Street  
Birmingham B1 3JR

17 December 2021



**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 2020 to 2021 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 2020 to 31 August 2021 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 Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 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 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 (continued)**

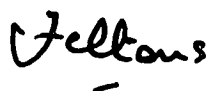
**Approach (continued)**

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**David W Farnsworth FCA (Reporting Accountant)**

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

17 December 2021

The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2021  
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2020/21 £	Total 2019/20 £
<b>Income from :</b>							
Donations and capital grants	2	127	-	-	1,377,817	1,377,944	41,242
Charitable activities :	3						
Funding for the academy trust's educational operations		119,888	-	13,491,964	-	13,611,852	12,896,803
Teaching schools	25	-	-	-	-	-	17,899
<b>Total</b>		<b>120,015</b>	<b>-</b>	<b>13,491,964</b>	<b>1,377,817</b>	<b>14,989,796</b>	<b>12,955,944</b>
<b>Expenditure on :</b>							
Charitable activities:							
Academy trust educational operations	4, 5	8,862	524,000	12,320,708	1,059,412	13,912,982	13,652,957
Teaching schools	25	-	-	-	-	-	17,899
<b>Total</b>		<b>8,862</b>	<b>524,000</b>	<b>12,320,708</b>	<b>1,059,412</b>	<b>13,912,982</b>	<b>13,670,856</b>
<b>Net income/(expenditure) before transfers</b>		<b>111,153</b>	<b>(524,000)</b>	<b>1,171,256</b>	<b>318,405</b>	<b>1,076,814</b>	<b>(714,912)</b>
<b>Transfers between funds</b>	13	<b>(10,000)</b>	<b>-</b>	<b>(708,313)</b>	<b>718,313</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) after transfers</b>		<b>101,153</b>	<b>(524,000)</b>	<b>462,943</b>	<b>1,036,718</b>	<b>1,076,814</b>	<b>(714,912)</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gains/(losses) on defined benefit pension schemes	13, 22	-	(1,010,000)	-	-	(1,010,000)	(1,139,000)
<b>Net movement in funds</b>		<b>101,153</b>	<b>(1,534,000)</b>	<b>462,943</b>	<b>1,036,718</b>	<b>66,814</b>	<b>(1,853,912)</b>
<b>Reconciliation of funds</b>							
<b>Total funds brought forward</b>	14	<b>1,934,241</b>	<b>(5,918,000)</b>	<b>1,014,044</b>	<b>32,723,824</b>	<b>29,754,109</b>	<b>31,608,021</b>
<b>Total funds carried forward</b>		<b>2,035,394</b>	<b>(7,452,000)</b>	<b>1,476,987</b>	<b>33,760,542</b>	<b>29,820,923</b>	<b>29,754,109</b>

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

**The Waverley Education Foundation Ltd**  
**(A Company Limited by Guarantee)**

**Company number : 08331922**  
**Balance sheet as at 31 August 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		35,866,637		34,942,381
<b>Current assets</b>					
Debtors	11	278,840		319,585	
Cash at bank and in hand		<u>4,806,125</u>		<u>4,017,248</u>	
		5,084,965		4,336,833	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	12(a)	<u>1,729,984</u>		<u>1,501,011</u>	
<b>Net current assets</b>			3,354,981		2,835,822
<b>Total assets less current liabilities</b>			<u>39,221,618</u>		<u>37,778,203</u>
Creditors: amounts falling due after more than one year	12(b)		(1,948,695)		(2,106,094)
<b>Net assets excluding pension liability</b>			<u>37,272,923</u>		<u>35,672,109</u>
Defined benefit pension scheme liability	22		(7,452,000)		(5,918,000)
<b>Total net assets</b>			<u><u>29,820,923</u></u>		<u><u>29,754,109</u></u>
<b>Funds of the academy trust :</b>					
<b>Restricted funds</b>					
Fixed asset fund	13	33,760,542		32,723,824	
Restricted income fund	13	1,476,987		1,014,044	
Pension reserve	13	<u>(7,452,000)</u>		<u>(5,918,000)</u>	
<b>Total restricted funds</b>			27,785,529		27,819,868
<b>Unrestricted income funds</b>	13		<u>2,035,394</u>		<u>1,934,241</u>
<b>Total funds</b>			<u><u>29,820,923</u></u>		<u><u>29,754,109</u></u>

The financial statements on pages 25 to 47 were approved by the trustees, and authorised for issue on 7 December 2021 and are signed on their behalf by:

..... Susan Barratt ..... Mrs S 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 2021**

	Notes	2020/21 £	2019/20 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	17	1,545,255	365,081
<b>Cash flows from investing activities</b>	18	(605,851)	(31,865)
<b>Cash flows from financing activities</b>	19	(150,527)	(143,953)
		<u>788,877</u>	<u>189,263</u>
Cash and cash equivalents at 1 September 2020		4,017,248	3,827,985
<b>Cash and cash equivalents at 31 August 2021</b>	20	<u>4,806,125</u>	<u>4,017,248</u>

**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021**

**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.

**Basis of preparation**

The financial statements of the multi academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**Going concern**

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

**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 year 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.

**The Waverley Education Foundation Ltd  
(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Income (continued)**

- **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. Upon sale the fair value of the goods is charged against, and the proceeds are recognised as, 'Income from other trading activities'.
- **Donated fixed assets**  
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 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.

**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.

**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.

**The Waverley Education Foundation Ltd  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Tangible fixed assets (continued)**

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 as follows:

Leasehold land and buildings	- straight line over 50 years
Fittings and equipment	- 25% reducing balance
Computer hardware	- 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.

**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 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.

**Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

**Leased assets**

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



**The Waverley Education Foundation Ltd  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Taxation**

The multi academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the multi academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Pension benefits**

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 to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the year 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.

**The Waverley Education Foundation Ltd  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**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 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 Education and Skills Funding Agency or Department for Education.

**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.

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2021. 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.

**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 24.

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**2. Donations and capital grants**

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	-	38,482	38,482	38,065
Donated fixed assets	-	-	1,339,335	1,339,335	-
Other donations	127	-	-	127	3,177
	<u>127</u>	<u>-</u>	<u>1,377,817</u>	<u>1,377,944</u>	<u>41,242</u>
<b>2020 total</b>	<u>3,177</u>	<u>-</u>	<u>38,065</u>	<u>41,242</u>	

**3. Funding for the multi academy trust's educational operations**

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
<b>DfE/ESFA grants</b>					
General Annual Grant (GAG)	-	11,238,446	-	11,238,446	10,919,060
Other DfE Group grants					
UFSM	-	69,580	-	69,580	77,568
Pupil premium	-	891,192	-	891,192	872,494
Teachers pay	-	179,538	-	179,538	120,458
Teachers pension	-	273,386	-	273,386	338,437
Others	-	41,260	-	41,260	45,908
	<u>-</u>	<u>12,693,402</u>	<u>-</u>	<u>12,693,402</u>	<u>12,373,925</u>
<b>Other government grants</b>					
Local authority grants	-	603,872	-	603,872	270,256
Other income from the academy trust's educational operations	119,888	-	-	119,888	252,622
<b>Covid-19 additional funding (DfE/ESFA)</b>					
Catch-up premium	-	166,180	-	166,180	-
Other DfE/ESFA Covid-19 funding	-	28,510	-	28,510	-
	<u>119,888</u>	<u>798,562</u>	<u>-</u>	<u>918,450</u>	<u>522,878</u>
	<u>119,888</u>	<u>13,491,964</u>	<u>-</u>	<u>13,611,852</u>	<u>12,896,803</u>
<b>2020 total</b>	<u>252,622</u>	<u>12,644,181</u>	<u>-</u>	<u>12,896,803</u>	

The academy received £166,180 of funding for catch-up premium and costs incurred in respect of this funding totalled £59,122, with the remaining £107,058 to be spent in 2021/22.

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**4. Expenditure**

	Staff costs £	Non pay expenditure Premises £	Other £	2020/21 Total £	2019/20 Total £
Academy's educational operations					
Direct costs	8,521,561	540,429	557,490	9,619,480	9,693,299
Allocated support costs	2,077,171	963,530	1,243,939	4,284,640	3,959,658
Teaching school	-	-	-	-	17,899
	<u>10,598,732</u>	<u>1,503,959</u>	<u>1,801,429</u>	<u>13,904,120</u>	<u>13,670,856</u>
<b>2020 total</b>	<u>10,118,746</u>	<u>1,327,381</u>	<u>2,224,729</u>	<u>13,670,856</u>	

Net income/(expenditure) for the period includes :

		2020/21 £	2019/20 £
Operating leases	- plant and machinery	26,763	16,966
	- other	403,375	405,894
Depreciation		1,059,412	919,100
Fees payable to auditor	- audit	<u>15,900</u>	<u>15,000</u>

**5. Charitable activities**

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2020/21 Total £	2019/20 Total £
Educational operations					
Direct costs	-	-	9,619,480	9,619,480	9,711,198
Support costs	8,862	524,000	3,760,640	4,293,502	3,959,658
	<u>8,862</u>	<u>524,000</u>	<u>13,380,120</u>	<u>13,912,982</u>	<u>13,670,856</u>
<b>2020 total</b>	<u>48,646</u>	<u>364,000</u>	<u>13,258,210</u>	<u>13,670,856</u>	
Analysis of support costs					
Support staff costs	-	524,000	1,553,171	2,077,171	1,841,369
Depreciation	-	-	518,983	518,983	264,194
Technology costs	-	-	-	-	14,039
Premises costs	-	-	878,902	878,902	836,337
Other support costs	8,862	-	793,679	802,541	988,719
Governance costs	-	-	15,905	15,905	15,000
	<u>8,862</u>	<u>524,000</u>	<u>3,760,640</u>	<u>4,293,502</u>	<u>3,959,658</u>
<b>2020 total</b>	<u>14,926</u>	<u>364,000</u>	<u>3,580,732</u>	<u>3,959,658</u>	

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**6. Staff**

**a) Staff costs**

Staff costs during the year were:

	2020/21	2019/20
	£	£
Wages and salaries	7,626,841	7,217,379
Social security costs	769,442	719,667
Pension costs	1,919,615	1,637,037
	<u>10,315,898</u>	<u>9,574,083</u>
Agency staff costs	282,834	538,616
Staff restructuring costs	-	6,047
	<u>10,598,732</u>	<u>10,118,746</u>

Staff restructuring costs comprise :

Severance payments	-	6,047
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**b) Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2020 : £6,047).

**c) Staff numbers**

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

	2020/21	2019/20
	Number	Number
Teachers	158	126
Administration and support	114	112
Management	9	9
	<u>281</u>	<u>247</u>

**d) Higher paid staff**

	2020/21	2019/20
	Number	Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£60,001 - £70,000	8	8
£70,001 - £80,000	2	2
£90,001 - £100,000	1	1
£180,001 - £190,000	<u>1</u>	<u>1</u>

**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 £1,044,964 (2020 : £1,004,412).

**The Waverley Education Foundation Ltd  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**7. Central services**

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

**8. Related Party Transactions - Trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from 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 :

Kamal Hanif (CEO and trustee)	
Remuneration	£185,000 - £190,000 (2020 : £180,000 - £185,000)
Employer's pension contributions paid	£40,000 - £45,000 (2020 : £40,000 - £45,000)

There were no travel and subsistence expenses paid to any trustee during current or previous year. Other related party transactions involving the trustees are set out in note 23.

**9. Trustees' and officers' insurance**

The 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.

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**10. Tangible fixed assets**

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	39,191,529	975,510	799,163	40,966,202
Additions	1,491,874	20,226	471,568	1,983,668
At 31 August 2021	<u>40,683,403</u>	<u>995,736</u>	<u>1,270,731</u>	<u>42,949,870</u>
<b>Depreciation</b>				
At 1 September 2020	4,615,594	733,636	674,591	6,023,821
Charge for the year	813,463	61,268	184,681	1,059,412
At 31 August 2021	<u>5,429,057</u>	<u>794,904</u>	<u>859,272</u>	<u>7,083,233</u>
<b>Net book values</b>				
At 31 August 2021	<u>35,254,346</u>	<u>200,832</u>	<u>411,459</u>	<u>35,866,637</u>
At 31 August 2020	<u>34,575,935</u>	<u>241,874</u>	<u>124,572</u>	<u>34,942,381</u>

Included in leasehold land and buildings are assets under construction of £10,243. No depreciation has been charged on these assets.

Leasehold property was valued at September 2013 by the trustees and at December 2015 by C Butler MRICS, FHP Property Consultants, Nottingham NG1 5BG. The fittings and equipment and computer hardware were valued as at the same date by the trustees. The basis on which the valuations were made was depreciated

Cost or valuation at 31  
August 2021 is  
represented by :

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Total £
Valuation in 2013 and 2015	34,855,000	755,147	306,995	35,917,142
Cost	5,828,403	240,589	963,736	7,032,728
	<u>40,683,403</u>	<u>995,736</u>	<u>1,270,731</u>	<u>42,949,870</u>

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**11. Debtors**

	2021 £	2020 £
VAT recoverable	84,407	95,293
Prepayments and accrued income	194,433	224,292
	<u>278,840</u>	<u>319,585</u>

**12. Creditors**

	2021 £	2020 £
<b>(a) Amounts falling due within one year :</b>		
Creditors from operations	375,528	187,824
Accruals and deferred income	353,829	379,274
Other creditors	843,227	783,385
Loans	157,400	150,528
	<u>1,729,984</u>	<u>1,501,011</u>
<b>Deferred income</b>		
Deferred income at 1 September 2020	46,035	82,551
Resources deferred in the year	40,589	46,035
Amounts released from previous years	(46,035)	(82,551)
	<u>40,589</u>	<u>46,035</u>
Deferred income at 31 August 2021		

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

**(b) Amounts falling due after more than one year :**

Other creditors	<u>1,948,695</u>	<u>2,106,094</u>
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Other creditors 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 £1,243,862. (2020: £1,432,042). The amount due within one year is shown in note 12(a).



**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**13. Funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,014,044	11,238,446	(10,174,248)	(708,313)	1,369,929
UIFSM	-	69,580	(69,580)	-	-
Pupil premium	-	891,192	(891,192)	-	-
Catch-up premium	-	166,180	(59,122)	-	107,058
Other DfE/ESFA Covid-19 funding	-	28,510	(28,510)	-	-
Other grants	-	1,098,056	(1,098,056)	-	-
	<u>1,014,044</u>	<u>13,491,964</u>	<u>(12,320,708)</u>	<u>(708,313)</u>	<u>1,476,987</u>
<b>Restricted fixed asset funds</b>					
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
From unrestricted funds	69,930	-	(23,550)	10,000	56,380
Donations	-	1,339,335	(81,668)	-	1,257,667
	<u>32,723,824</u>	<u>1,377,817</u>	<u>(1,059,412)</u>	<u>718,313</u>	<u>33,760,542</u>
<b>Pension reserve</b>	<u>(5,918,000)</u>	<u>-</u>	<u>(524,000)</u>	<u>(1,010,000)</u>	<u>(7,452,000)</u>
<b>Total restricted funds</b>	<u>27,819,868</u>	<u>14,869,781</u>	<u>(13,904,120)</u>	<u>(1,000,000)</u>	<u>27,785,529</u>
<b>Unrestricted funds</b>					
Other income	<u>1,934,241</u>	<u>120,015</u>	<u>(8,862)</u>	<u>(10,000)</u>	<u>2,035,394</u>
<b>Total unrestricted funds</b>	<u>1,934,241</u>	<u>120,015</u>	<u>(8,862)</u>	<u>(10,000)</u>	<u>2,035,394</u>
<b>Total funds</b>	<u>29,754,109</u>	<u>14,989,796</u>	<u>(13,912,982)</u>	<u>(1,010,000)</u>	<u>29,820,923</u>

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.

Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

**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.

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**13. Funds (continued)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	852,925	10,919,060	(10,613,989)	(143,952)	1,014,044
UIFSM	-	77,568	(77,568)	-	-
Pupil premium	-	872,494	(872,494)	-	-
Other grants	-	775,059	(775,059)	-	-
	<u>852,925</u>	<u>12,644,181</u>	<u>(12,339,110)</u>	<u>(143,952)</u>	<u>1,014,044</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	29,147,627	-	(741,900)	143,952	28,549,679
DfE Group capital grants	4,062,580	38,065	(130,427)	-	3,970,218
Capital expenditure from GAG	180,770	-	(46,773)	-	133,997
From unrestricted funds	-	-	-	69,930	69,930
	<u>33,390,977</u>	<u>38,065</u>	<u>(919,100)</u>	<u>213,882</u>	<u>32,723,824</u>
<b>Pension reserve</b>	<u>(4,415,000)</u>	<u>-</u>	<u>(364,000)</u>	<u>(1,139,000)</u>	<u>(5,918,000)</u>
<b>Total restricted funds</b>	<u>29,828,902</u>	<u>12,682,246</u>	<u>(13,622,210)</u>	<u>(1,069,070)</u>	<u>27,819,868</u>
<b>Unrestricted funds</b>					
Teaching school	-	17,899	(17,899)	-	-
Other income	1,779,119	255,799	(30,747)	(69,930)	1,934,241
<b>Total unrestricted funds</b>	<u>1,779,119</u>	<u>273,698</u>	<u>(48,646)</u>	<u>(69,930)</u>	<u>1,934,241</u>
<b>Total funds</b>	<u>31,608,021</u>	<u>12,955,944</u>	<u>(13,670,856)</u>	<u>(1,139,000)</u>	<u>29,754,109</u>

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows :

	2020/21 Total £	2019/20 Total £
Waverley School	2,573,689	2,203,824
Waverley Studio College	938,692	744,461
<b>Total before fixed assets and pension reserve</b>	<u>3,512,381</u>	<u>2,948,285</u>
 Restricted fixed asset fund	 33,760,542	 32,723,824
Pension reserve	(7,452,000)	(5,918,000)
<b>Total funds</b>	<u>29,820,923</u>	<u>29,754,109</u>

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**13. Funds (continued)**

**Total cost analysis by academy**

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

	Teaching & educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	2020/21 Total £
Waverley School	7,342,714	1,920,976	206,626	1,622,858	11,093,174
Waverley Studio College	1,178,847	156,195	85,440	339,914	1,760,396
<b>Academy trust</b>	<b>8,521,561</b>	<b>2,077,171</b>	<b>292,066</b>	<b>1,962,772</b>	<b>12,853,570</b>
<b>2020 total</b>	<b>8,277,377</b>	<b>1,841,369</b>	<b>388,009</b>	<b>2,245,001</b>	<b>12,751,756</b>

**14. Analysis of net assets between funds**

Fund balances at 31  
August 2021 are  
represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	35,866,637	35,866,637
Current assets	2,035,394	-	3,049,571	-	5,084,965
Current liabilities	-	-	(1,572,584)	(157,400)	(1,729,984)
	2,035,394	-	1,476,987	35,709,237	39,221,618
Creditors due after one year	-	-	-	(1,948,695)	(1,948,695)
Pension scheme liability	-	(7,452,000)	-	-	(7,452,000)
<b>Total net assets</b>	<b>2,035,394</b>	<b>(7,452,000)</b>	<b>1,476,987</b>	<b>33,760,542</b>	<b>29,820,923</b>

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

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	34,942,381	34,942,381
Current assets	1,934,241	-	2,364,527	38,065	4,336,833
Current liabilities	-	-	(1,350,483)	(150,528)	(1,501,011)
	1,934,241	-	1,014,044	34,829,918	37,778,203
Creditors due after one year	-	-	-	(2,106,094)	(2,106,094)
Pension scheme liability	-	(5,918,000)	-	-	(5,918,000)
<b>Total net assets</b>	<b>1,934,241</b>	<b>(5,918,000)</b>	<b>1,014,044</b>	<b>32,723,824</b>	<b>29,754,109</b>

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**15. Capital commitments**

	2021 £	2020 £
Contracted for but not provided in the financial statements	15,000	29,000

**16. Commitments under operating leases**

At 31 August 2021 the total of the multi academy trust's future minimum lease payments under non-cancellable operating leases was:

	Other	
	Total 2021 £	Total 2020 £
Amounts due within one year	448,769	420,431
Amounts due between one and five years	1,700,164	1,604,826
Amounts due after five years	4,808,072	5,090,019
	<u>6,957,005</u>	<u>7,115,276</u>

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

	2020/21 Total £	2019/20 Total £
Net income/(expenditure) for reporting year (as per the SoFA)	1,076,814	(714,912)
Adjusted for :		
Depreciation (note 10)	1,059,412	919,100
Capital grants from DfE Group	(38,482)	(38,065)
Donated fixed assets	(1,339,335)	-
Defined benefit pension scheme cost less contributions payable (note 22)	431,000	283,000
Defined benefit pension scheme finance cost (note 22)	93,000	81,000
Decrease / (increase) in debtors	40,745	(64,031)
Increase / (decrease) in creditors	222,101	(101,011)
<b>Net cash provided by operating activities</b>	<u>1,545,255</u>	<u>365,081</u>

**18. Cash flows from investing activities**

	2020/21 Total £	2019/20 Total £
Purchase of tangible fixed assets	(644,333)	(69,930)
Capital grants from DfE Group	38,482	38,065
<b>Net cash used in investing activities</b>	<u>(605,851)</u>	<u>(31,865)</u>

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**19. Cash flows from financing activities**

	2020/21 Total £	2019/20 Total £
Loan repayments in period	(150,527)	(143,953)
<b>Net cash used in financing activities</b>	<b>(150,527)</b>	<b>(143,953)</b>

**20. Analysis of cash and cash equivalents**

	At 31 August 2021 £	At 31 August 2020 £
Cash at bank and in hand	4,806,125	4,017,248
	<b>4,806,125</b>	<b>4,017,248</b>

**21. 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.

**22. Pension and similar obligations**

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 year ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £106,994 (2020 : £131,764) were payable to the schemes at 31 August 2021 and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

**The Waverley Education Foundation Ltd  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**22. Pension and similar obligations (continued)**

**Teachers' Pension Scheme (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 four 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% employer administration charge)
- 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 is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £963,465 (2020 : £897,332).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 2021 was £583,000 (2020 : £436,000), of which employer's contributions totalled £478,000 (2020 : £342,000) and employees' contributions totalled £105,000 (2020 : £94,000). The agreed contribution rates for future years are between 19.5% for employers and between 5.5% and 9.9% for employees.

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

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

**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**22. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

Principal actuarial assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.85%	3.20%
Rate of increase for pensions in payment / inflation	2.85%	2.20%
Discount rate for scheme liabilities	1.65%	1.65%
Inflation assumption (CPI)	2.85%	2.20%
Commutation of pensions to lump sums	50.00%	50.00%

**Sensitivity analysis**

	As disclosed	Discount rate	CPI rate	In life expectancy
	£'000s	+ 0.1% pa £'000s	+ 0.1% pa £'000s	+ 1 year £'000s
Present value of total obligation	11,208	10,880	11,507	11,675
Projected service cost	1,108	1,068	1,149	1,158
	£'000s	- 0.1% pa £'000s	- 0.1% pa £'000s	- 1 year £'000s
Present value of total obligation	11,208	11,547	10,918	10,761
Projected service cost	1,108	1,151	1,068	1,061

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

	At 31 August 2021	At 31 August 2020
Retiring today		
Males	21.6	21.9
Females	24.0	24.1
Retiring in 20 years		
Males	23.4	23.8
Females	25.8	26.0

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

	31 August 2021 £	31 August 2020 £
Equities	2,288,000	1,527,000
Government bonds	310,000	294,000
Other bonds	230,000	105,000
Property	264,000	205,000
Cash/liquidity	138,000	180,000
Other	526,000	405,000
<b>Total market value of assets</b>	<b>3,756,000</b>	<b>2,716,000</b>

The actual return on scheme assets was £524,000 (2020 : £170,000).

**The Waverley Education Foundation Ltd  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**22. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

	2020/21 £	2019/20 £
<b>Amount recognised in the statement of financial activities</b>		
Current service cost	909,000	624,000
Net interest cost	93,000	81,000
Administration expenses	-	1,000
<b>Total amount recognised in the SOFA</b>	<b>1,002,000</b>	<b>706,000</b>
<b>Changes in the present value of defined benefit obligations were as follows :</b>		
	2020/21 £	2019/20 £
At 1 September 2020	8,634,000	5,994,000
Current service cost	909,000	624,000
Interest cost	143,000	115,000
Employee contributions	105,000	94,000
Actuarial gains/(losses) - financial assumptions	1,761,000	489,000
Actuarial gains/(losses) - demographic assumptions	(126,000)	194,000
Actuarial gains/(losses) - experience gains/losses	(151,000)	1,152,000
Benefits paid	(67,000)	(28,000)
<b>At 31 August 2021</b>	<b>11,208,000</b>	<b>8,634,000</b>
<b>Changes in the fair value of academy's share of scheme assets were as follows :</b>		
	2020/21 £	2019/20 £
At 1 September 2020	2,716,000	1,579,000
Interest income	50,000	34,000
Actuarial gain/(loss)	-	560,000
Employer contributions	478,000	342,000
Employee contributions	105,000	94,000
Benefits paid net of transfers in	(67,000)	(28,000)
Administration costs	-	(1,000)
Return on assets less interest	474,000	136,000
<b>At 31 August 2021</b>	<b>3,756,000</b>	<b>2,716,000</b>
<b>Net pension scheme liability</b>	<b>(7,452,000)</b>	<b>(5,918,000)</b>



**The Waverley Education Foundation Ltd**  
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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**23. Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

No related party transactions took place in the year of account other than certain trustees' remuneration and expenses already disclosed in note 8.

**24. Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £31,380 (2020 : £25,104) and disbursed £16,775 (2020 : £12,713) from the fund. An amount of £55,582 (2020 : £40,977) is included in other creditors relating to undistributed funds that is repayable to ESFA.

**25. Teaching school trading account**

	2020/21 £	2019/20 £
<b>Income</b>		
Direct income		
Other income	-	17,899
<b>Expenditure</b>		
Direct costs		
Direct staff costs	-	8,373
Other direct costs	-	9,526
	-	17,899
<b>Total expenditure</b>	-	17,899
Transfers between funds excluding depreciation	-	-
<b>Surplus/(deficit) from all sources</b>	-	-
<b>Teaching school balances at 1 September 2020</b>	-	-
<b>Teaching school balances at 31 August 2021</b>	-	-