

Registration number: 08882544

Wistaston Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2016



HALLIDAYS
MORE THAN JUST ACCOUNTANTS

Hallidays
Chartered Accountants
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Wistaston Academy Trust

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Wistaston Academy Trust

Reference and Administrative Details

Members

Mr Gary Stuart Douglas, (Chairman) (resigned 31 August 2016)
Mr Scott Andrew Harding, (Vice Chairman) (resigned 1 September 2015)
Ms Charlene Muller (resigned 31 August 2016)
Mr Daniel John Brooks, (Vice Chairman) (appointed 1 September 2015 and resigned 31 August 2016)
Mr David Osbourne (appointed 1 September 2016)
Ms Barbara Francis (appointed 1 September 2016)
Ms Gill Jefferies (appointed 1 September 2016)

Trustees (Directors)

Mr Daniel John Brooks, (Vice Chairman)
Ms Linda Ann Davis, (principle and accounting officer)
Mrs Dominique Griffiths, (staff trustee) (resigned 1 November 2016)
Ms Kerry Ann Kolbuck
Mr Stuart Charles Harper
Mrs Janette Webster
Ms Mieczyslawa Podsiedik
Mrs Carol Ladley-Brown, (staff trustee) (resigned 1 November 2016)
Mr Karl Newton
Ms Gill Jeffries
Mr David Osborne
Mr Gary Stuart Douglas, (Chairman)
Mr Scott Andrew Harding, (Vice Chairman) (resigned 1 September 2015)
Ms Charlene Muller
Ms Sue Brownbill (appointed 1 March 2016)
Ms Barbara Francis (appointed 14 July 2016)
Ms Janet Griffith (appointed 1 November 2015)
Ms Laura Holland (appointed 10 May 2016)
Ms Denise Jones (appointed 10 May 2016)
Ms Penelope Monk (appointed 18 October 2015)

Senior Management Team

Ms Linda Davis, Principal and Accounting Officer
Mrs Dominique Griffiths, Deputy Principal
Mrs Rachel Bailey, Assistant Principle (Key Stage) and Reading Manager
Mrs Stephanie Tew, SENCO
Mrs Carol Ladley-Brown, School Business Manager
Mrs Angela Dewsbury, EYFS and Assistant Principle
Mrs Sam Joy, Assistant Principle Year 5/6
Mrs Frances Shaw, Assistant Principle Yr 3/4

Wistaston Academy Trust

Reference and Administrative Details (continued)

Principal and Registered Office	Ms Linda Davis Moreton Road Wistaston Crewe CW2 8QS
Company Registration Number	08882544
Auditors	Hallidays Chartered Accountants Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD 6 July 2016
Bankers	Lloyds Bank Crewe 13 Victoria Street Crewe Cheshire CW1 2JQ
Solicitors	Browne Jacobson LLP 5th Floor, Tower 12 18-22 Bridge Street Spinningfields Manchester M3 3BZ

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016

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

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Crewe. It has a pupil capacity of 420 in Reception to Year 6 and a 52 place Nursery. It had a roll of 450 in the Summer school census in 2016.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles are the primary governing documents of the the academy trust. The trustees of Wistaston Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Wistaston Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The academy trust purchases indemnity insurance to cover the liability of the trustees. This is currently with the DfE through the RPA scheme and has Governors' liability indemnity insurance to the level of 2 million pounds.

Method of recruitment and appointment or election of Trustees

Members of the trust are nominated by either the Secretary of State for Education (DfE), or the Academy Trust. The articles of association require the members of the trust to appoint at least three trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the academy.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity, educational legal and financial matters. All new trustees will be given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Induction tends to be done informally and is tailored specifically to the individual.

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Organisational structure

The management structure for the year consisted of a Principal, one Deputy Principal and four Assistant Principals responsible for EYFS, KS1 and Phonics teaching, Years 3 and 4 and Years 5 and 6. The Business Manager and the SENDCo are the other members of the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility, increase accountability and encourage involvement in decision making at all levels. The Principal is the Accounting Officer.

The Strategic Leadership Committee consists of the Chairs of Committees. This committee is responsible for the strategic direction and oversight of the school development plan as well as general governance matters related to the trust

The Leadership and Management Committee is responsible for all financial matters related to the trust. It also carries out tasks delegated down by the full Board of Trustees on strategic and capital expenditure projects. This committee is also responsible for the performance management of teachers and the pay policy and safeguarding.

The Pupil Attainment and Quality of Teaching Committee is responsible for preparing the teaching and learning strategy, setting out the annual curriculum plan and suggest draft achievement targets for the academy. It also monitors the curriculum, approves Policies and procedures for the curriculum.

The Behaviour and Safety Committee is responsible for premises, behaviour, attendance and health and safety.

The Finance Committee has an oversight of the Academy's finances and meets at more regular intervals than other committees.

The Senior Leadership Team of the academy is responsible for the day to day management of the academy, for carrying through the strategic decisions of the Board and committees, ensuring an annual development plan is set out, monitored and carried out successfully.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body annually agree the pay policy. This policy states that all teachers pay will be set in line with the School Teachers Pay and Conditions Document (STPCD). The Headteacher's, Deputy's and Assistant Heads' pay and remuneration are thus set in accordance with the STPCD and are also benchmarked against other schools in the Local Authority. The School Business Manager and Personnel Manager's pay and remuneration are set in accordance with the Academy Trust's pay policy and are also benchmarked against other schools in the Local Authority.

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Objectives and activities

Objects and aims

The main objectives of the academy during the year ended 31st August 2016 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- to raise the standard of educational achievement of all pupils
- to improve the effectiveness of the academy by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended
- to comply with all appropriate statutory and curriculum requirements
- to conduct the academy's business in accordance with the highest standards of integrity, probity and openness

Objectives, strategies and activities

- The introduction of the Accelerating Reading programme.
- Development of an extended leadership team.
- Adding a large extension to provide extra office space, room for group teaching and a training room.

Subject leaders develop their own Action Plans which support the school development plan. These cover the key areas of:

- Literacy
- Numeracy
- Foundation Curriculum areas
- PE and Sport development
- SMSC
- Computing
- Foundation Stage

Public benefit

The trustees have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by the trust is the provision of a high quality of education to its students.

Over and above this, the academy aims to offer an education for the whole individual providing exceptional opportunities for personal as well as academic success. Wistaston Academy ensures that spiritual, moral, social and cultural aspects are endemic within lessons and in the wider curriculum. The school offers a wide range of extra-curricular activities including after-school clubs, school trips; both day and residential from Nursery upwards.

We provide support for families in difficulties through engaging with other stakeholders to ensure responses are tailored to individual needs.

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Achievements and performance

The academy had 450 pupils on roll in July 2016. The academy received 68 applications for the Reception intake for September 2016 but was only able to offer 60 places in line with our Published Admission Number.

KS1 Results

In the Year 1 Phonics check, 97% of children passed compared with 81% nationally.

Phonics Check	National 2016	Wistaston Academy Y1 Phonics 2016
Year 1	81% (PP 61%)	97% (PP 89%)
Year 2 Retake	91%	50% (No PP in the group)

KS1 Results

In the Year 1 Phonics check, 97% of children passed compared with 81% nationally.

KS1 performance at the end of key stage SATs were as follows:

Subject	National Expected Standard	Wistaston Academy Expected Standard
Reading	74%	59%
Writing	65%	28%
Maths	73%	54%

KS2 Results

Subjects	Wistaston Academy Y6 attainment 2016		National Averages 2016	
	Expected Standard	Greater Depth	Expected Standard	Greater Depth
RWM	37%	2%	53%	5%
Reading	49%	0%	66%	19%
Writing	47%	2%	74%	15%
Maths	55%	16%	70%	17%
EGPS	61%	14%	72%	23%

The academy has analysed the data and awaits the outcomes of progress measures. The standard of attainment and progress for all significant groups of students has been good or outstanding over the previous four years.

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Going concern

After making appropriate enquires, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

Key non-financial performance indicators

In 2015-16 the attendance rate of 95.6% was higher than the national average of 95.1%. Levels of persistent absence are decreasing. Punctuality to school and to lessons is very good. Only a small minority of pupils occasionally arrive late. This reflects the fact that children want to come to schools and find it a place of safety and happiness where they are engaged and interested in learning.

The academy carefully monitored the implementation of the 2015-16 school development plan. Trustees were linked to elements of the plan and, through monitoring visits and reports, were able to confirm the impact of actions on pupil achievement. The school's own mechanisms for self-evaluation also validated the impact of the plan.

In order to ensure that standards continue to rise, the academy operates a rigorous monitoring and evaluation schedule which focuses on lesson observations, book and planning scrutinies as well as discussions with pupils. Through lesson observations, teachers improve their own practice and this is enhanced with carefully targeted CPD. Weekly meetings focus on pedagogy and improving classroom practice. At the last inspection and in the period after, the majority of teaching that has been observed has been Outstanding with nothing less than Good.

Financial review

Most of the academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31st August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31st August 2016, total expenditure of £2,348,358 was more than covered by recurrent grant funding from the EFA/DfE together with other income resources. The excess of income over expenditure for the year was £78,449. At 31st August 2016, the net book value of fixed assets was £4,184,644 and movement in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy.

A full provision has been made to cover the deficit of the Local Government pension scheme of £733,000 as at 31st August 2016. The academy has entered into a programme of increased contribution rates in order to attempt to reduce the deficit.

The Trustees are concerned with the very large deficit that the Local Government pension fund is reporting. The Actuary's assumptions are very much influenced with the latest international financial and economic crisis. The academy is seeking comfort from the Government that the reported deficit will be ultimately covered by the Treasury.

The academy held fund balances at 31st August 2016 of £22,638 restricted funds, £244,181 of unrestricted funds and a pension deficit of £733,000.

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Financial and risk management objectives and policies

The main financial risks are mitigated through the employment of sound financial management and internal control processes. Actual performance against agreed budgets is closely monitored by the Trust's finance team and via regular meetings of the Trustee's.

Bank and cash reconciliations are carried out routinely to the cash book facility on FMS and signed by the authorised officers of the Trust's finance team. All orders and payments are signed off by the Finance Team with appropriate segregation of duties in place. Payroll is outsourced and checked by more than one individual each month. The appropriateness and integrity of internal controls relevant to the audit of the financial statements is assessed and reported to the Trustees by the external auditors. Five year forecasts are prepared with the forecast for the next academic year receiving board approval.

Remaining risks are mitigated via comprehensive insurance policies.

Reserves policy

The Trustees review the level of reserves on an annual basis. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trust's current level of free reserves (total reserves less the amounts held in the fixed asset reserve and restricted fund reserve) is £244,181. The amount will be kept secure for a time when it is needed to self-finance a major project.

The net liability due to the Trust's participation in the Local Government Pension Scheme (LGPS) amounts to £733,000. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of Academy closure, outstanding LGPS liabilities would be met by the Department for Education. This guarantee provides comfort to the Governors in the unlikely event of Academy closure.

Investment policy

Cash balances are safeguarded by investing them in interest bearing current account with a sound commercial bank.

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Principal risks and uncertainties

The principal risks to the Trust are documented and managed using a Risk Management Policy and a Risk Register which is regularly reviewed.

The main risks are seen as the loss of reputation through failing standards at the Academy, falling student numbers, failure to safeguard our students, failure on high profile School to School support commissions and the financial impact of our Transfer of Control Agreement (TOCA) following the loss of funding from the Local Authority.

Key controls in place to mitigate these risks are:

- An organisational structure with clearly defined roles, responsibilities and authorisation levels
- Documented terms of reference of the committees of the Trust
- Financial planning, budgeting and regular management reporting highlighting key areas of financial risk
- Formal written and published policies for employees
- Vetting procedures as required by legislation for the protection of the vulnerable
- Robust due diligence procedures for new contracts and commissions
- Continuing negotiations with the Local Authority regarding the TOCA arrangement.

The main financial risk relates to the per pupil funding; the Trust resides in Cheshire East which is one of the lowest funded authorities, as such the Trust's overall funding is considerably lower than almost all other local authorities. Notwithstanding the grant made available to those in the lowest funded authorities in the year ending 31 August 2016, pupil funding rates continue to be lower than some of our closest neighbours and therefore remains the Trust's most significant risk. The Trust continues to make representations where appropriate in a bid to increase the profile of this inequality of funding and has taken part in the National Funding Formula consultation.

The other main financial risks are mitigated through the employment of sound financial management and internal control processes. Balanced budgets are set by the Trust and limited budgets are further delegated to departments and faculties. Actual performance against agreed budgets is closely monitored by the Trust's Finance Team and via regular meetings of the Finance Committee of the Trust.

Bank and cash reconciliations are carried out routinely and signed by the authorised officers of the Trust's Finance Team. All orders and payments are signed off by the Finance Team with appropriate segregation of duties in place. Fixed asset registers are in place and there are processes in place for the acquisition and disposal of assets. Payroll is outsourced and checked by more than one individual each month. The appropriateness and integrity of internal controls is assessed and reported to the Directors / Trustees by the Responsible Officer and external auditors.

The security of data is administered by an in house team of IT professionals.

Remaining risks are mitigated to a large extent via membership of the EFA's Risk Protection Arrangement (RPA).

Wistaston Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Plans for future periods

The academy will continue striving to provide the best possible education all its students and to enable all children to achieve their full potential.

The trust's core purpose is to deliver its strategic vision of providing exceptional opportunities for personal and academic success for its students and community.

The academy's plans (set out above) will ensure that its quality of provision of education and results both continue to be outstanding in the next few years.

The £50K sponsorship funding was approved by the HTB for the West Midlands and has been used to develop the capacity of the Senior Leadership Team ready to support any school we might sponsor. Key members of the school are now able to carry out whole school audits and lesson observations. They are able to offer impact driven training in strategies that have been proven to make a difference and which narrow the gap between Pupil Premium children and others. The funding was also used to provide development opportunities for the Principal so that she is ready to take on the role of Chief Executive Officer as and when the Trust sponsors its first school.

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Trustees' Report for the Year Ended 31 August 2016 (continued)

Auditor

In so far 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 auditors, Hallidays Chartered Accountants are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Board of Trustees on 24 November 2016 and signed on its behalf by:

.....
Ms Linda Ann Davis
Trustee

.....
Mr David Osborne
Trustee

Wistaston Academy Trust

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Ms Linda Davis, 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 Wistaston Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Gary Stuart Douglas	2	3
Ms Charlene Muller	2	3
Mr Daniel John Brooks	3	3
Ms Kerry Ann Kolbuck	3	3
Ms Mieczyslawa Podsiedik	3	3
Ms Gill Jeffries	2	3
Mrs Janette Webster	2	3
Mrs Carol Ladley-Brown	3	3
Ms Linda Ann Davis	3	3
Mr Karl Newton	2	3
Mr David Osborne	1	3
Ms Janet Griffith	0	3
Mrs Dominique Griffiths	2	3
Mr Stuart Charles Harper	3	3
Ms Sue Brownbill	1	1
Ms Denise Jones	1	1

The Strategic Leadership Committee is a sub-committee of the main board of trustees. Its purpose is to oversee other committees with a wider strategic view and is responsible for all financial and general governance matters related to the trust. Attendance at meetings during the year was as follows:

Wistaston Academy Trust

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
Mr Gary Stuart Douglas	3	3
Mr David Osborne	2	3
Mr Daniel John Brooks	3	3

Governance reviews

The governance of the Academy is kept under constant review and the skill and capacity of the Trust Board has been strengthened by the addition of governors with experience in HR, accountancy and the retail business sector. The Trust is currently undertaking a skills audit to identify any gaps in the Board and this will be completed by the end of the Autumn term.

In appointing new governors, the trustees, having reviewed its skills and experience base, and has appointed additional governors with experience in HR, law and business administration and leadership. The trust intends to conduct its next self-evaluation in the Autumn term 2016.

Review of value for money

As accounting officer the trustee has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Using best value to source the most economic and effective Project Manager for our new build this year. In the same way, we sourced the best building firm for the job. The project was completed to the highest standards in a short period of time with no disruption to children's learning. The project came within the parameters of the budget set.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wistaston Academy Trust for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;

Wistaston Academy Trust

Governance Statement (continued)

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

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- to appoint Cheshire East Council as internal auditor

The auditor's role includes visiting three times a year and performing a range of checks on the academy trust's financial systems followed up by a written report. The written report is to be taken to the Finance Committee after each visit.

Review of effectiveness

As Accounting Officer, Ms Linda Davis 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 auditor ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 24 November 2016 and signed on its behalf by:

.....
Ms Linda Ann Davis
Accounting officer
Trustee

.....
Mr David Osborne
Trustee

Wistaston Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Wistaston Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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

.....
Ms Linda Davis
Accounting officer

24 November 2016

Wistaston Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who are 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 Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board on 24 November 2016 and signed on its behalf by:

.....
Mr David Osborne
Trustee

Wistaston Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Wistaston Academy Trust

We have audited the financial statements of Wistaston Academy Trust for the year ended 31 August 2016, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

Wistaston Academy Trust

**Independent Auditor's Report on the Financial Statements to the Members of
Wistaston Academy Trust (continued)**

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

.....
Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date:.....

Wistaston Academy Trust

Independent Reporting Accountant's Report on Regularity to Wistaston Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 6 July 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wistaston Academy Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy's framework of authorities. As identified by review of minutes, management accounts, discussion with accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy are within the academy's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy and extended the procedures required for the financial statements to include regularity.

Wistaston Academy Trust

Independent Reporting Accountant's Report on Regularity to Wistaston Academy Trust and the Education Funding Agency (continued)

- We have assessed and tested a sample of specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy's delegated authorities and that the internal delegations have been approved by the governing body and conform to the limits set by the Department for Education.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations and other matters where direct evidence is not available.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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 from 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....
Hallidays, Chartered Accountants

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date:.....

Wistaston Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Fund £	Restricted Fixed Asset Funds £	Total 2016 £	
Income and endowments from:						
Donations and capital grants	2	12,967	1,750	-	49,666	64,383
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	2,259,165	-	-	2,259,165
Other trading activities	4	99,930	-	-	-	99,930
Investments	5	3,329	-	-	-	3,329
Total		<u>116,226</u>	<u>2,260,915</u>	<u>-</u>	<u>49,666</u>	<u>2,426,807</u>
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	<u>3,768</u>	<u>2,161,393</u>	<u>46,000</u>	<u>137,197</u>	<u>2,348,358</u>
Net income/(expenditure)		112,458	99,522	(46,000)	(87,531)	78,449
Transfers between funds		(429,225)	(65,430)	-	494,655	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	22	<u>-</u>	<u>-</u>	<u>(339,000)</u>	<u>-</u>	<u>(339,000)</u>
Net movement in (deficit)/funds		(316,767)	34,092	(385,000)	407,124	(260,551)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2015		<u>560,948</u>	<u>(11,454)</u>	<u>(348,000)</u>	<u>3,777,520</u>	<u>3,979,014</u>
Total funds/(deficit) carried forward at 31 August 2016		<u><u>244,181</u></u>	<u><u>22,638</u></u>	<u><u>(733,000)</u></u>	<u><u>4,184,644</u></u>	<u><u>3,718,463</u></u>

Wistaston Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2015 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Fund £	Restricted Fixed Asset Funds £	Total (As restated) 2015 £
Income and endowments from:						
Donations and capital grants	2	-	16,275	-	13,154	29,429
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	2,109,202	-	-	2,109,202
Other trading activities	4	85,779	-	-	-	85,779
Investments	5	2,484	-	-	-	2,484
Total		88,263	2,125,477	-	13,154	2,226,894
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	11,625	2,017,139	31,000	114,673	2,174,437
Net income/(expenditure)		76,638	108,338	(31,000)	(101,519)	52,457
Transfers between funds		-	(156,559)	-	156,559	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	22	-	-	15,000	-	15,000
Net movement in funds/(deficit)		76,638	(48,221)	(16,000)	55,040	67,457
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2014		484,310	36,767	(332,000)	3,722,480	3,911,557
Total funds/(deficit) carried forward at 31 August 2015		560,948	(11,454)	(348,000)	3,777,520	3,979,014

Wistaston Academy Trust
(Registration number: 08882544)
Balance Sheet as at 31 August 2016

	Note	2016 £	(As restated) 2015 £
Fixed assets			
Tangible assets	11	4,184,644	3,772,655
Current assets			
Debtors	12	131,286	62,027
Cash at bank and in hand		<u>468,701</u>	<u>659,324</u>
		599,987	721,351
Creditors: Amounts falling due within one year	13	<u>(333,168)</u>	<u>(166,992)</u>
Net current assets		<u>266,819</u>	<u>554,359</u>
Total assets less current liabilities		<u>4,451,463</u>	<u>4,327,014</u>
Net assets excluding pension liability		4,451,463	4,327,014
Pension scheme liability	22	<u>(733,000)</u>	<u>(348,000)</u>
Net assets including pension liability		<u><u>3,718,463</u></u>	<u><u>3,979,014</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		22,638	(11,454)
Restricted fixed asset fund		4,184,644	3,777,520
Restricted pension fund		<u>(733,000)</u>	<u>(348,000)</u>
		3,474,282	3,418,066
Unrestricted funds			
Unrestricted general fund		<u>244,181</u>	<u>560,948</u>
Total funds		<u><u>3,718,463</u></u>	<u><u>3,979,014</u></u>

The financial statements on pages 21 to 43 were approved by the Trustees, and authorised for issue on 24 November 2016 and signed on their behalf by:

.....
Ms Linda Ann Davis
Trustee

.....
Mr David Osborne
Trustee

Wistaston Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	305,568	(170,616)
Cash flows from investing activities	18	<u>(496,191)</u>	<u>(149,210)</u>
Change in cash and cash equivalents in the year		(190,623)	(319,826)
Cash and cash equivalents at 1 September		<u>659,324</u>	<u>979,149</u>
Cash and cash equivalents at 31 August	19	<u><u>468,701</u></u>	<u><u>659,323</u></u>

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016

1 Accounting policies

Statement of 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 academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Wistaston Academy Trust meets the definition of a public benefit entity under FRS 102.

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 period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

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

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

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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

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 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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Individual assets costing £500 and groups of items over £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Buildings Leashold	125 years Straight Line
Fixtures & Fittings	20% Straight Line
Computer Equipment	33.33% Straight Line

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.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Taxation

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

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

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other 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 Funding Agency/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.

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2013 has been used by the actuary in valuing the pensions liability at 31/08/2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

First time adoption of FRS 102

These financial statements are the first financial statements of Wistaston Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Wistaston Academy Trust for the year ended 31/08/2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 24.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total 2016	Total 2015
	£	£	£	£	£
Other voluntary income					
Educational trips and visits	12,967	-	-	12,967	16,275
Capital grants	-	-	49,666	49,666	13,154
Other donations	-	1,750	-	1,750	-
	<u>12,967</u>	<u>1,750</u>	<u>49,666</u>	<u>64,383</u>	<u>29,429</u>

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	Total 2016 £	Total 2015 £
DfE/EFA revenue grants			
General Annual Grant (GAG)	1,797,954	1,797,954	1,669,669
Other DfE/EFA Grants	358,687	358,687	279,277
	<u>2,156,641</u>	<u>2,156,641</u>	<u>1,948,946</u>
Other government grants			
Local Authority Grants/Income	102,524	102,524	160,256
Total grants	<u>2,259,165</u>	<u>2,259,165</u>	<u>2,109,202</u>

4 Other trading activities

	Unrestricted funds £	Total 2016 £	Total 2015 £
Catering income	32,589	32,589	33,674
Other sales	24,626	24,626	41,663
Nursery Income	42,715	42,715	10,442
	<u>99,930</u>	<u>99,930</u>	<u>85,779</u>

5 Investment income

	Unrestricted funds £	Total 2016 £	Total 2015 £
Bank Interest	3,329	3,329	2,484

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

6 Expenditure

	Non Pay Expenditure			Total	Total
	Staff costs	Premises	Other costs	2016	2015
	£	£	£	£	£
Academy's educational operations					
Direct costs	1,402,173	123,477	180,873	1,706,523	1,595,741
Allocated support costs	258,833	174,064	208,938	641,835	578,696
	<u>1,661,006</u>	<u>297,541</u>	<u>389,811</u>	<u>2,348,358</u>	<u>2,174,437</u>

Net income/(expenditure) for the year includes:

	2016	2015
	£	£
Operating leases - plant and machinery	637	823
Depreciation	137,197	114,673
Fees payable to auditor - audit	4,000	4,000
- other audit services	2,250	2,250
	<u>2,250</u>	<u>2,250</u>

7 Charitable activities

	Total	Total
	2016	2015
	£	£
Direct costs - educational operations	1,706,523	1,595,741
Support costs - educational operations	641,835	578,696
	<u>2,348,358</u>	<u>2,174,437</u>

	Educational operations	Total	Total
	£	2016	2015
	£	£	£
Analysis of support costs			
Support staff costs	258,833	258,833	208,254
Depreciation	13,720	13,720	11,467
Premises costs	160,344	160,344	134,469
Other support costs	208,938	208,938	224,506
Total support costs	<u>641,835</u>	<u>641,835</u>	<u>578,696</u>

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

8 Staff

Staff costs

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	1,320,852	1,236,759
Social security costs	95,822	77,547
Pension costs	244,332	211,197
	<u>1,661,006</u>	<u>1,525,503</u>

Staff numbers

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

	2016 No	2015 No
Charitable Activities		
Teachers	21	25
Administration and support	44	41
Management	6	2
	<u>71</u>	<u>68</u>

The number of employees whose emoluments fell within the following bands was:

	2016 No	2015 No
£80,001 - £90,000	<u>1</u>	<u>1</u>

The key management personnel of the 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) received by key management personnel for their services to the Academy Trust was £446,105 (2015 - £213,134).

9 Related party transactions - trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration received during the period was as follows:

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

9 Related party transactions - trustees' remuneration and expenses (continued)

Ms Linda Ann Davis (Principal):

Remuneration: £85,000 - £90,000 (2015 - £85,000 - £90,000)

Employer's pension contributions: £10,000 - £15,000 (2015 - £5,000 - £10,000)

Mrs Dominique Griffiths (Staff Trustee):

Remuneration: £45,000 - £50,000 (2015 - £45,000 - £50,000)

Employer's pension contributions: £5,000 - £10,000 (2015 - £5,000 - £10,000)

Mrs Carol Ladley-Brown (Staff Trustee):

Remuneration: £25,000 - £30,000 (2015 - £25,000 - £30,000)

Employer's pension contributions: £5,000 - £10,000 (2015 - £5,000 - £10,000)

During the year ended 31 August 2016, travel and subsistence expenses totalling £1,105 (2015 - £1,166) were reimbursed or paid directly to 3 trustees (2015 - 3).

Other related party transactions involving the trustees are set out in note 23.

10 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.

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2015	3,510,682	226,065	197,978	3,934,725
Additions	526,189	21,061	1,936	549,186
At 31 August 2016	<u>4,036,871</u>	<u>247,126</u>	<u>199,914</u>	<u>4,483,911</u>
Depreciation				
At 1 September 2015	33,348	57,734	70,988	162,070
Charge for the year	22,585	48,021	66,591	137,197
At 31 August 2016	<u>55,933</u>	<u>105,755</u>	<u>137,579</u>	<u>299,267</u>
Net book value				
At 31 August 2016	<u>3,980,938</u>	<u>141,371</u>	<u>62,335</u>	<u>4,184,644</u>
At 31 August 2015	<u>3,477,334</u>	<u>168,331</u>	<u>126,990</u>	<u>3,772,655</u>

12 Debtors

	2016 £	2015 £
Trade debtors	4,667	-
Prepayments	27,259	13,224
Accrued grant and other income	31,217	41,367
VAT recoverable	68,143	6,984
Other debtors	-	452
	<u>131,286</u>	<u>62,027</u>

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

13 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	47,851	36,349
Other taxation and social security	28,133	24,061
Pension scheme creditor	26,277	23,382
Accruals	199,529	43,970
Deferred income	31,378	39,230
	333,168	166,992

14 Funds

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant (GAG)	(11,454)	1,797,954	(1,698,432)	(65,430)	22,638
Other DfE/EFA Grants	-	358,688	(358,688)	-	-
Other Government Grants/Income	-	102,523	(102,523)	-	-
Restricted other voluntary income	-	1,750	(1,750)	-	-
	(11,454)	2,260,915	(2,161,393)	(65,430)	22,638
Restricted fixed asset funds					
DFC Grant	16,237	8,811	(966)	-	24,082
Capital Expenditure from GAG	203,432	-	(9,277)	65,430	259,585
Assets transferred on conversion	3,557,851	-	(112,782)	-	3,445,069
Condition improvement fund	-	40,855	(1,303)	-	39,552
Capital expenditure from unrestricted funds	-	-	(12,869)	429,225	416,356
	3,777,520	49,666	(137,197)	494,655	4,184,644
Restricted pension funds					
Restricted Pension Fund	(348,000)	-	(46,000)	(339,000)	(733,000)
Total restricted funds	3,418,066	2,310,581	(2,344,590)	90,225	3,474,282
Unrestricted funds					
Unrestricted general funds	560,948	116,226	(3,768)	(429,225)	244,181
Total funds	3,979,014	2,426,807	(2,348,358)	(339,000)	3,718,463

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

14 Funds (continued)

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the trust.

Restricted fixed asset funds are those funds relating to the long term assets of the Trust used in delivering the objects of the Trustees.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	4,184,644	4,184,644
Current assets	577,349	22,638	-	599,987
Current liabilities	(333,168)	-	-	(333,168)
Pension scheme liability	-	(733,000)	-	(733,000)
Total net assets	<u>244,181</u>	<u>(710,362)</u>	<u>4,184,644</u>	<u>3,718,463</u>

16 Commitments under operating leases

Operating leases

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

	2016 £	2015 £
Within one year	637	637
In two and five years	159	796
	<u>796</u>	<u>1,433</u>

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

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

	2016	2015
	£	£
Net income	78,449	52,457
Depreciation	137,197	114,673
Capital grants from DfE and other capital income	(49,666)	(13,154)
Interest receivable	(3,329)	(2,484)
Defined benefit pension scheme cost less contributions payable	32,000	18,000
Defined benefit pension scheme finance cost	14,000	13,000
(Increase)/decrease in debtors	(69,259)	31,572
Increase/(decrease) in creditors	166,176	(384,680)
Net cash provided by/(used in) Operating Activities	305,568	(170,616)

18 Cash flows from investing activities

	2016	2015
	£	£
Dividends, interest and rents from investments	3,329	2,484
Purchase of tangible fixed assets	(549,186)	(164,848)
Capital funding received from sponsors and others	49,666	13,154
Net cash used in investing activities	(496,191)	(149,210)

19 Analysis of cash and cash equivalents

	At 31 August 2016	At 31 August 2015
	£	£
Cash at bank and in hand	468,701	659,324
Total cash and cash equivalents	468,701	659,324

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

20 Contingent liabilities

During the life of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the academy shall repay to the Secretary of State sums determined by reference to:-

- a) the value at that time of the academy's site and premises and other assets held for the purpose of the academy and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

21 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.

22 Pension and similar obligations

The Academy'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 Cheshire West and Chester Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £23,382 (2015: £22,203) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £132,332 (2015: £87,197).

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

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is a 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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £105,000 (2015 - £106,000), of which employer's contributions totalled £80,000 (2015 - £84,000) and employees' contributions totalled £25,000 (2015 - £22,000). The agreed contribution rates for future years are per cent for employers and banded between 5.5 and 12.5 per cent 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.

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2016	At 31 August 2015
	%	%
Rate of increase in salaries	2.10	2.70
Rate of increase for pensions in payment/inflation	3.10	3.60
Discount rate for scheme liabilities	2.00	3.80

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

Adjustment to discount rate		- 0.5%
Present value of total obligation		£ 210,000
		+ 0.5%
Adjustment to rate of inflation		£
Present value of total obligation		103,000
		+ 0.5%
Adjustment to rate of salary growth		£
Present value of total obligation		103,000
		+ 1 Year
Adjustment to mortality age rating assumption		£
Present value of total obligation		38,000
		38,000

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

	At 31 August 2016	At 31 August 2015
Retiring today		
Males retiring today	22.30	22.30
Females retiring today	24.40	24.40
Retiring in 20 years		
Males retiring in 20 years	24.10	24.10
Females retiring in 20 years	26.70	26.70

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

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

	At 31 August 2016	At 31 August 2015
	£	£
Equities	409,000	241,000
Government bonds	79,000	62,000
Property	36,000	31,000
Cash	-	10,000
	<hr/>	<hr/>
Total market value of assets	524,000	344,000
	<hr/>	<hr/>
Surplus in the scheme	524,000	344,000
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £60,000 (2015 - £5,000).

Amounts recognised in the statement of financial activities

	2016	2015
	£	£
Current service cost	112,000	102,000
Net interest cost	14,000	13,000
	<hr/>	<hr/>
Total operating charge	126,000	115,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2016	2015
	£	£
At 1 September	692,000	555,000
Current service cost	112,000	102,000
Interest cost	29,000	23,000
Employee contributions	25,000	22,000
Actuarial losses/(gains)	399,000	(10,000)
	<hr/>	<hr/>
At 31 August	1,257,000	692,000
	<hr/> <hr/>	<hr/> <hr/>

Changes in the fair value of academy's share of scheme assets:

	2016	2015
	£	£
At 1 September	344,000	223,000
Expected return on assets	75,000	15,000
Employer contributions	80,000	84,000
Employee contributions	25,000	22,000
	<hr/>	<hr/>
At 31 August	524,000	344,000
	<hr/> <hr/>	<hr/> <hr/>

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

23 Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

24 Transition to FRS 102

Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31/08/2015 and the date of transition to FRS 102 and SORP 2015 was therefore 01/09/2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

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

Reconciliation of total funds

	1 September 2014	31 August 2015
	£	£
Total funds under previous UK GAAP	3,911,557	3,974,149
Deferred capital grants	-	4,865
Total funds reported under FRS 102	3,911,557	3,979,014

Reconciliation of net income/(expenditure)

	Note	Amount £
Net income/(expenditure) previously reported under UK GAAP		52,592
Change in recognition of LGPS interest cost		(5,000)
Deferred capital grants		4,865
Net movement in funds reported under FRS 102		52,457

Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £5,000 and decrease the debit in other recognised gains and losses in the SOFA by an equivalent amount.

Wistaston Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

24 Transition to FRS 102 (continued)

Change in classification of capital grants

Under previous UK GAAP capital grants from the EFA were recognised under "Funding for the Academy's educational operations" in the SOFA. Under FRS 102 these are included under "Donations and capital grants". There has been no change in the funds brought forward.

Deferral of capital grants

Under FRS 102 devolved capital grants from the EFA must be recognised in full when received. The effect of this change is to increase income from capital grants by £4,865 and decrease the deferred income creditor in 2015, and increase the restricted general funds brought forward by an equivalent amount in 2016.