

Waterton Academy Trust

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2022

Forrester Boyd Chartered Accountants
Waynflete House
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Lincolnshire
LN11 9QQ

 **Forrester Boyd**
CHARTERED ACCOUNTANTS





Contents

Reference and Administrative Details	1
Trustees' Report	2 to 11
Governance Statement	12 to 16
Statement of Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report on the Financial Statements to the Members of Waterton Academy Trust	19 to 21
Independent Reporting Accountant's Assurance Report on Regularity to Waterton Academy Trust and the Education and Skills Funding Agency	22 to 23
Consolidated Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)	24 to 25
Consolidated Balance Sheet as at 31 August 2022	26 to 27
Balance Sheet as at 31 August 2022	28 to 29
Consolidated Statement of Cash Flows for the year ended 31 August 2022	30
Notes to the Financial Statements	31 to 57



Waterton Academy Trust

Reference and Administrative Details

Members	A Buckley E R Greensides (resigned 20 September 2022) H R Honeyman B Nixon A Warboys
Trustees (Directors)	S Johnson, Chair P C Beaman (resigned 31 December 2021) S Bates K Davies D Dickinson, Chief Executive Officer (Accounting Officer) A G Goudie J C Henson L J Rowlinson-Brown (resigned 14 June 2022) J M Shaw N A Shaw J P Wathen (appointed 29 September 2022)
Company Secretary	L Clark
Principal and Registered Office	Walton Primary Academy The Grove Walton Wakefield West Yorkshire WF2 6LD
Company Registration Number	09124782
Auditors	Forrester Boyd Chartered Accountants Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ



Trustees' Report for the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31/08/2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 09124782.

The Trustees of Waterton Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Waterton Academy Trust.

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

The academy trust through its Articles has indemnified its trustees to the fullest extent permissible by law. Waterton Academy Trust has adopted the Risk Protection Arrangement (RPA), in accordance with the Academy Trust Handbook (ATH), to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The RPA provides cover up to £5 million on any one claim.

Method of recruitment and appointment or election of Trustees

Trustees and Governors are elected via the following arrangements:

- Trustees are appointed to the Trust board by the Members;
- The Local Hub Board (LHB) Chairs are independent and appointed by trustees;
- Each Academy Standards Committee (ASC) elects an LHB representative;
- The Headteacher's Group elects two members to each LHB;
- Media platforms and existing networks;
- There are no trustees who are employed by the Trust.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for each new trustee will depend on their prior experience of governance and their knowledge of the education sector. The Head of Governance delivers the induction, over teams, for all new Trustees and provides regular follow-ups and further training in specific areas, as required. The induction process includes an introduction to the statutory framework, trustee responsibilities in relation to compliance with Company and Charity Law, Nolan principles, good governance practice and the Waterton governance structure.

Key material and resources such as The Governance Handbook, Scheme of Delegation, Code of Conduct, Charity Commission Essential Trustee, the ATH, and KCSIE are uploaded onto Teams into 'Governance resource hub.'

The Trust also provides the NGA learning link to assist trustees in their role.



Trustees' Report for the Year Ended 31 August 2022 (continued)

Organisational structure

The Trust currently consists of thirteen schools and two Pre-Schools; seven converter primary schools, one converter junior school, two converter infant schools, one sponsored junior school and two sponsored primary schools.

The governance structure consists of the following levels; the Members, the Board of Trustees, the Local Hub Boards (LHBs) (West Hub and East Hub) and the Academy Standards Committees (ASCs).

The Trustees are responsible for the strategic direction, financial and health and safety compliance, monitoring individual academy performance and appointment of academy Headteachers.

Trustees meet as a full board at least three times per year. Where exceptional circumstances dictate, Trustees will meet more than three times and have shown their agility in holding meetings virtually or using a hybrid model. In order to be able to scrutinise finances and standards across all thirteen academies in a nuanced manner, the Resources and Standards Committees sit within the Local Hub Boards. The Hub Boards each meet three times per year, are chaired by a Trustee and include a representative from each ASC. The Hub Boards scrutinise finances in detail and make decisions or recommendations to the Trust Board as per the Scheme of Delegation. The Risk and Audit Committee, also meet three times a year, is made up of Trustees and reports directly back to the main board.

Due to the numbers of academies now in the Trust, and the continued requirement for appropriate scrutiny, each LHB and ASC receive delegated authority from the Trust Board to support the Board in fulfilling its obligations.

As with different layers of governance, the CEO is delegated clear responsibilities through the auspices of the Scheme of Delegation. The CEO, leading the Executive Team, and individual academy Headteachers, is responsible for the overall performance of the Trust. The Trust Executive work to meet clear strategic objectives set out by Trustees. Leaders are held to account to ensure delivery of these, and also the implementation of policy to meet the Trust's statutory obligations.

Arrangements for setting pay and remuneration of key management personnel

Other than Trustees who have a substantive role within the Trust, no remuneration is paid to Trustees who are volunteers, under any circumstances.

All Headteachers and senior staff within academies are subject to annual Performance Management reviews in accordance with STPCD which is applied consistently across the Trust. There have been few occasions where the complexity and challenge of the role is such that it was necessary to offer remuneration above the indicative range for a school, but this is fully reviewed by SLT and reported to Trustees, for transparency. All performance management uplifts are presented to Trustees for approval and appropriately recorded in minutes of meetings.

The Trust Executive and Senior Leaders are also subject to annual Performance Management reviews, which are delivered by the Trust Executive (where appropriate) and Trustees. All outcomes are reported to Trustees as above. In accordance with the requirements of the ATH, a robust process is in place for determining the remuneration of all senior leaders, including the CEO. Performance and remuneration decisions are made by the Trust Board and appropriately approved and recorded. It has been agreed that in order to further strengthen both compliance and practice, the Performance Management of Headteachers and the Trust Executive, from September 2022, will be scrutinised by a newly formed Remuneration Committee.

Connected organisations, including related party relationships

The Trust is the member of Waterton Pre-School. The Pre-School is currently operating in two settings, the most recent opening in September 2022. The Trust is not a member of any soft federations.

Engagement with employees (including disabled persons)

The Trust recognise the importance of employee engagement in all aspects of its work. A robust appraisal system is in place throughout all levels of the organisation. Staff wellbeing is a major focus, with a new Charter having been agreed and a Wellbeing Group further shaping the Trust offer. After protracted negotiations, Trustees have finally approved facilities time arrangements with unions. Termly JCNC meetings are now held, and each union has a Trust Representative, released in accordance with the facilities time agreement. Staff surveys take place regularly and feed into the Wellbeing Group, JCNC and Trust Board meetings.



Trustees' Report for the Year Ended 31 August 2022 (continued)

Engagement with suppliers, customers and others in a business relationship with the Academy trust

The Trustees recognise the importance of developing relationships with suppliers, customers and other stakeholders. In recent years, the Trust has moved to whole trust agreements for major contracts such as school meals provision and supply agency cover, using established framework agreements for the benefit of all our family of schools. In addition to this, we work alongside local and smaller businesses and have developed excellent relationships with all our stakeholders.

Objectives and activities

Objects and aims

The strategic aims of the Trust are documented in the three-year strategic plan. The principle objective of the Trust is to improve the educational outcomes for all children within the Trust and wherever possible beyond. This will be achieved through working in partnership with our schools to implement a wide range of school improvement initiatives.

The aims of the Trust during the year ended 31 August 2022 are summarised below:

- Raise educational outcomes across all Waterton Schools and for all children;
- Create a culture of excellence throughout;
- Build on strong and valuable system leadership partnerships;
- Continue to strengthen governance across the trust;
- Ensure the financial stability of the organisation;
- Create organisational structures that facilitate efficient operations;
- Deliver appropriate growth in line with conditions of care;
- Create and deliver a wellbeing strategy;
- Ensure our estate is compliant and fit for purpose;
- Create and deliver a trust wide communication strategy.

Objectives, strategies and activities

Key priorities for the year are contained within the School Improvement Plan for each academy and the Strategic Plan for the Trust. Areas for improvement are identified through external and internal monitoring and evaluation processes.

Public benefit

The Trust aims to advance for the public benefit, education in the academies that it is responsible for and wherever possible beyond. In particular, we are working to support all of the schools in the Trust and to develop a culture of mutual support and development across these schools.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioners general guidance on public benefit in exercising their powers or duties. They have referred this to their guidance when reviewing the Trust's aims and objectives and planning its future activities.

Strategic Report

Achievements and performance

It is important when comparing standards that the national and local context is considered. This year has seen the first key stage 2 attainment statistics since 2019, after assessments were cancelled in 2020 and 2021 due to the pandemic.

- Attainment in all of reading, writing and maths has decreased compared to 2019, with 59% of pupils met the expected standard, down from 65% in 2019
- 74% of pupils met the expected standard in reading, up from 73% in 2019
- 71% of pupils met the expected standard in maths, down from 79% in 2019
- 69% of pupils met the expected standard in writing, down from 78% in 2019

The below table provides an indication of how the Trust compares against National and partnership LAs in end of KS2 consolidated SATs.



Waterton Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

KS2	RWM EXS
Waterton	61
National	59
Barnsley	58
Wakefield	57

The below table provides an indication of how the Trust compares against National and partnership LAs in end of KS1 consolidated outcomes.

KS1 Outcomes	RWM EXS
Waterton	58
National	Not published
Barnsley	55
Wakefield	54

Y1 Phonics

The below table provides an indication of how the Trust compares against National and partnership LAs in Phonics Screening Check.

Phonics	EXS
Waterton	85
National	75
Barnsley	81
Wakefield	79

Attendance

	Absence	Attendance	Persistent Absence
Waterton	5.3	94.7	18.6
National	5.8	94.2	20.1
Wakefield	5.2	94.8	Not Available
Barnsley	5.2	94.8	Not Available

Ofsted Outcomes

Trust academies have been visited three times by Ofsted during the 2021/22 academic year. There has been one section five, graded inspection, Lee Brigg, and two section eight, monitoring inspections, Walton and Ackworth Mill Dam.

MONITORING INSPECTIONS:

Academy	Date	Inspection	Outcome
Walton Primary Academy	May 2022	Section 8	Continues to be a good school
Ackworth Mill Dam	May 2022	Section 8	Continues to be a good school

SECTION 5 INSPECTIONS:

LEE BRIGG INFANT SCHOOL: November 2021



Trustees' Report for the Year Ended 31 August 2022 (continued)

Overall Effectiveness	Outstanding
The Quality of Education	Outstanding
Behaviour & Attitudes	Outstanding
Personal Development	Outstanding
Leadership & Management	Outstanding
Early Years Provisions	Outstanding

An outstanding result that is a credit to all involved. The school was last inspected in 2007 under a previous framework. In 2021/22, 83% of those deemed outstanding under a previous framework failed to retain their outstanding grading. The learning from Lee Brigg has been shared across the Trust.

Achievements

Specialist Provision

The Trust has successfully completed the first year of providing specialist provision at the KS1 site situated at Churchfield. The feedback from the LA SEND team has been really positive. A successful application to open a specialist academy for up to 30 children has also been made to the DfE. This work is ongoing and projected to be completed early 2023.

Apprenticeships

The first cohort of apprentices has successfully completed the apprenticeship in supporting learning in primary schools. The second cohort will commence at the start of the academic year 2022/23.

Trust Wellbeing Charter

A group of wellbeing champions from across the Trust have come together to work with on a Wellbeing Charter for the organisation. The charter is a pledge to all employees about how we collectively promote and support wellbeing. The charter will be launched at the Trust INSET day in September. If any Hub Board members are interested in this piece of work, stakeholder engagement would be welcomed.

De-Carbonisation

The Trust has successfully applied for a pilot project to tackle the decarbonisation of schools. West End Academy is one of seven schools selected for the pilot phase of this project and will see the replacement of a coal fired boiler and several gas-fired boilers with a ground source heat pump solution. This is a significant project both in terms of scale and time. It is a DfE led project in collaboration with project consultants ECS, the Trust and school.

Key non-financial performance indicators

The Trust Board considers that the following are KPI's for the Academy Trust:

- Leadership and Governance is strong and members/trustees have the appropriate skillset to effectively challenge;
- The Trust Strategic Plan remains on track and is reviewed on a regular basis by trustees;
- MAT growth is considered and in line with our vision and conditions of care;
- Risk is managed effectively and a risk register is in place to identify and manage all appropriate risks;
- Financial solvency – 3year, medium-term financial plans are realistic, robust and sustainable;
- All member academies set balanced annual budgets agreed at both trust and local level, with final budget ratification by the Trust Board;
- Pupil numbers are closely monitored to ensure that falling rolls are identified in order to plan for a reduction in grant income;
- Capital investment is made in line with the Asset Management Plan and use of Capital grants is in accordance with agreed terms and conditions;
- Statutory accounts and other returns are prepared and submitted to the Education and Skills Funding Agency (ESFA) in line with agreed timescales;
- Strong professional central team with capacity to support academies;
- Professional development and retention of high-quality staff to promote and enable succession planning;



Trustees' Report for the Year Ended 31 August 2022 (continued)

Going concern

After making appropriate enquiries, the Board of Trustees 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.

Promoting the success of the academy

The principal objective of the Trust is to improve the outcomes for all children within the Trust. The areas that are used to benchmark success are to be found within sections of this document, namely the strategic report and financial indicators. As a charitable organisation, the Trustees note their obligations to the requirement of section 172(1) (a) to (f) of the Companies Act 2006. The vision and values of Waterton Academy Trust indicate its desire to ensure that all decisions are taken with regard to the community which it serves.

Financial review

The majority of the Academy Trust's income is obtained from the ESFA in the form of the General Annual Grant (GAG). Other central government grants include Pupil Premium, PE Sports grants, Universal Infant Free School Meals, School Led Tutoring and others. Early Years funding, SEN top up and payments for Looked After Children are received directly from Local Authorities. All grants received during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activity (SOFA), as use of these funds is restricted to the provision of education.

The Trust receives Capital grants from the ESFA for fixed assets. Individual academies receive annual Devolved Formula Capital (DFC) and the Trust receives School Condition Allocation (SCA), both of which are formula-based capital. Such grants are shown in the SOFA as restricted income in the Fixed Asset Fund and allow further investment in maintaining and improving the academies across the estate.

As at 31st August 2022, the net book value of tangible fixed assets was £29.6m. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the expected life of the assets and the movement in tangible fixed assets is shown in note 12 of the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The land and buildings were gifted and a 'right to use' granted to the Academy Trust upon transfer.

The deficit in the Local Government Pension Scheme (LGPS) in respect of its non-teaching staff, is recognised on the Balance Sheet in accordance with the provisions of FRS 102. However, this year has shown a substantial reduction of £12.7m as a result of the March 2022 actuarial valuation.

The financial position of the Trust remains strong, although challenging due to the recent pay awards for both teaching and support staff, falling pupil rolls, Early Years, and the financial cost crisis.

The UK is currently facing economic uncertainty and whilst the Government have pledged some financial support for schools, there is no clarity in funding levels, and as a result budget forecasting in the longer term is challenging. To mitigate the financial impact of unprecedented rising costs, utilisation of reserves may need to be considered, however this is clearly not a long-term option and outside current policy.

The total funds are as follows:

- Restricted general funds £790,553
- Unrestricted general funds £1,752,544
- Restricted pension fund (£785,000)
- Restricted fixed asset funds £29,864,354



Trustees' Report for the Year Ended 31 August 2022 (continued)

Reserves policy

The Board of Trustees consider it prudent to retain an appropriate level of reserves designed to meet the long term needs of facilities and equipment renewal and any other unforeseen expenditure and liabilities. A Reserves Policy, which is reviewed annually, has been developed to provide a framework for strategic planning and decision-making and to protect the Trust's activities.

Individual academies are expected to set balanced budgets each year, but the Trust recognises that this is challenging in some settings depending on individual circumstances. In these circumstances, the Trust will support the academy to ensure that any projected in-year budget deficit does not have a detrimental impact on service delivery and a plan to return them to surplus is put in place.

Trust reserves are pooled for the benefit of the Trust as a whole but profiled to each academy. Academies can access reserves by submitting Access to Reserves bids to the LHB to fund development plans, be it educational resources or capital projects. Only in exceptional circumstances can reserves be allocated to fund ongoing revenue expenditure. Repayment plans over the short and medium term are put in place.

Planned expenditure against reserves can include, but is not limited to:

- the investment in buildings, IT and other capital projects;
- funding of unforeseen emergency maintenance/works;
- short term fluctuations in pupil numbers and lagged funding;
- funding of staffing restructures, compromise payments and redundancies etc to promote future cost savings; and
- funding of educational priorities.

As at the period ending 31 August 2022, total reserves (excluding pension reserve and restricted fixed asset funds) were £2,543,097 of which £790,553 are restricted and not available for general purposes of the Academy Trust. This is in line with current policy.

Investment policy

The Board of Trustees seeks to reach a balance between investment return and risk, to realise a reasonable return on the funds available, whilst adopting a risk averse approach. As such, the Board does not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

Due to the nature of the funding cycle, the Trust may at times hold large cash balances which may not be required for immediate use. Where cash flow allows, sums are invested under instruction from the Trustees in an investment account which sits alongside the Trust current account and is accessible at all times but at no time exposes those funds to any risk.



Trustees' Report for the Year Ended 31 August 2022 (continued)

Principal risks and uncertainties

The Trustees have assessed the major risks to which the trust is exposed. The Trust SLT has undertaken further work to develop and embed the system of internal control into operational practice, including financial, operational and risk management designed to protect the trust's assets and reputation.

The Trust has a Risk Management Policy and Risk Register. The Audit and Risk Committee have delegated responsibility from the Board of Trustees for risk management and oversee the annual review of the Risk Register. Trustees review the 'top 10' risks to which the Trust is exposed, at each Trust Board meeting, as part of the CEO report.

The key risks have been determined as:

- Financial: uncertainty regarding future Government funding streams. In this political climate, there can be no assurance that Government policy will remain the same or that funding will continue at the same level. The most recent pay awards announced for 2022 onwards have caused immediate concern, and whilst strategies are in place to ensure financial stability longer term, this is a challenge across the Trust;
- Capital: the compliant management of the Trust estate is becoming increasingly difficult due to insufficient capital income and there is a real risk that, over time, the Trust will be unable to maintain appropriate learning spaces in some of our academies. The Estates Team ensure Trustees are well informed regards this issue;
- Safeguarding and child protection: the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. Regular safeguarding audits are undertaken and a programme of training for staff is in place;
- Recruitment: – the success of the Trust is reliant on the quality of its staff. However, recruitment across the education sector has remained difficult in many roles and grades;
- Cash Flow: there is no significant risk that the Trust will be unable to finance its day-to-day operations. Cash flow is monitored on a daily basis at Trust level, to ensure that all financial commitments are met and movement of funds between academies is undertaken as necessary;
- Failures in governance and/or management: the potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc is an identified risk;
- Reputational: the continuing success of the Trust is dependent on implementing rapid and sustained educational achievement in its academies and continuing to attract applicants in sufficient numbers by maintaining the highest educational standards;
- Fraud and mismanagement of funds: all appropriate staff receive training to keep them updated with best financial practice and further develop their skills.
- Ofsted results and published outcomes are not of the required standard resulting in reputational damage to the Trust and individual academies: Outcomes for the year are above local and national averages, and the SI Team apply a strategic approach their work. This will remain an ongoing risk.



Trustees' Report for the Year Ended 31 August 2022 (continued)

Fundraising

Streamlined Energy and Carbon Reporting

	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
UK Greenhouse gas emissions and energy use data for the period		
Energy consumption used to calculate emissions (kWh)	3,979,610	3,265,021
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	557.63	451.41
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	178.84	169.97
Scope 3 emissions in metric tonnes CO₂e		
Total scope 3	0.00	0.00
Total gross emissions in metric tonnes CO₂e	736.47	621.38
Intensity ratio		
Tonnes CO ₂ e per pupil	0.22	0.18

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Plans for future periods

The Trust will continue to develop its family of schools in order to support children, some of whom come from challenging backgrounds. The Trust will seek to sponsor additional schools and allow voluntary converters to join. Allowing further conversions and sponsorship is fundamental to the ethos of the Trust and brings with it, opportunities such as economies of scale and reductions in the financial impact that the core has on individual academy budgets. Given the DfE white paper launched in May 2022, the Trust will also consider the possibility of mergers and bringing into the Trust smaller, less viable MATS or SATs.

The Trust will continue to grow within its partnership areas of Wakefield and Barnsley, further developing its now established Hub model. The long-term aim is to move to three hubs, Wakefield West, Wakefield East and Barnsley. Conversations are currently taking place with a number of Barnsley schools.

The Trust will also grow its education offer outside of the mainstream system. A KS1 specialist provision has been established on our Churchfield site and a successful application has been made to the DfE to open a special academy in Barnsley. Once the model stamp for provision has been agreed, further settings will be rolled out across our partnership areas. This model of 'create a stamp and then grow' is also being applied to the Trust's Pre-School offering. A second Pre-School has been opened on the Trust's Cherry Tree site and a third site will be opened by the end of the 2022-23 academic year. As with the SEND offer, it is envisaged that the Pre-School offer will grow year on year.



Trustees' Report for the Year Ended 31 August 2022 (continued)

Funds held as Custodian Trustee on behalf of others

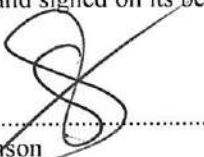
The Trust and its Trustees do not act as the custodian trustees of any other Charity.

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 members of the Trustees on 8 December 2022 and signed on its behalf by:


.....
S Johnson
Chair of Trustees



Governance Statement

Statement on governance and internal control

To fulfil the requirements of the ESFA and the Academy Trust Handbook, the Board of Trustees has delegated responsibility to the Audit and Risk Committee, to lead on the internal scrutiny work and maintain an oversight of the Academy Trust's financial, governance, risk management and internal control systems. A programme of internal checks on the academy trust's financial systems was undertaken by a trustee, for this year only. In previous years, the Trust engaged the services of a Financial Consultant to lead on the internal scrutiny work and produce the annual report for trustees and ESFA. However, this was not an option this year and neither has it been possible to appoint an internal auditor due to lack of capacity in local firms.

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Waterton 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 Trustees has delegated the day-to-day responsibility to D Dickinson, 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 Waterton Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the 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 Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Johnson, Chair	2	4
S Bates	2	4
A G Goudie	4	4
J M Shaw	3	4
J C Henson	2	4
K Davies	3	4
N A Shaw (resigned 20 October 2022)	2	4
L J Rowlinson-Brown (resigned 14 June 2022)	2	3
P C Beaman (resigned 31 December 2021)	0	3

During the year, the Trust Board identified the need to recruit new Trustees and had a particular focus on adding to the educational expertise of the board. Using media platforms and existing networks, J P Wathen was appointed.

Finance Committee

The Finance Committee is a sub-committee of the main Trustees. Attendance at meetings during the year was as follows:

Local Hub Board East	Meetings attended	Of a possible
S Bates	1	3
H Shaw	3	3
D Dickinson	2	3
R Cochrane	3	3
S Nunns	2	3
L Ward	2	3
J Grayston	3	3
N Leeder	2	3



Waterton Academy Trust

Governance Statement (continued)

Local Hub Board West	Meetings attended	Of a possible
L Harrison	2	3
D Dickinson	2	3
A Goudie	2	3
C Holloway	3	3
S Gordon	3	3
M Elliot	2	3
J Alton	3	3
J Simpkins	3	3
N Godfrey	3	3
A-Marie Glover	1	3
A Eggleston	1	2

Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the main Trustees. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
J M Shaw	1	1
K Davies	1	1
A G Goudie	0	0
L J Rowlinson-Brown (resigned 14 June 2022)	1	1

Effective oversight of funds

The LHBs continue to be delegated the work of the Standards and Resources Committee through the Scheme of Delegation. All those Governors who serve on either the West Hub Board or the East Hub Board have, within their remit, the full breadth of the work of the Resources Committee and the Standards Committee of their respective Hub Board, to ensure full knowledge and understanding of the respective Hub's academies.

Trustees are appointed by the Trust Board to Chair each of the LHBs and there is feedback mechanisms in place for communication between the Trust Board and LHBs, and to and from ASCs. The Trust Board and LHBs receive similar detailed reports, and have considered the quality and nature of the reports during the year and confirmed that they are appropriate, include good quality data, and enable them to effectively discharge their responsibilities.

The Trust Board met 4 times during the year, and the LHBs met 3 times during the year. This enables detailed review of performance data and effective oversight of funds.



Waterton Academy Trust

Governance Statement (continued)

Review of value for money

As Accounting Officer, D Dickinson 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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- agreeing economies of scale reductions with suppliers;
- ensuring that high value contracts followed a detailed tender exercise or were procured via recognised/approved frameworks;
- making use of Schools Resource Management and other online tools;
- use of consolidated reserves to enhance and update the ICT infrastructure across all schools;
- reviewing SLAs and moving towards Trust wide arrangements for all schools to create savings;
- reviewing staffing structures and deployment of staff;
- employment of internal school improvement team to implement trust wide strategies;
- commissioning of shared services in partnership with external academy partners;
- utilising Capital funds effectively to carry out major repairs and transform teaching and learning spaces;
- securing further funding from Barnsley MBC to develop Phase 2 of the KSI Assessment Centre at Churchfield;
- identifying opportunities for income generation across the Trust; and
- ongoing self-evaluation of procedures and working practice to drive improvement and further reduce costs.

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 Waterton Academy Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The 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 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 ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.



Governance Statement (continued)

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 financial monitoring systems with an annual budget and periodic financial reports, which are reviewed and agreed by the Board of Trustees;
- Hub Board scrutiny of financial performance against the forecasts and of major purchase plans, capital works and expenditure programs;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

To fulfil the requirements of the ESFA and the Academy Trust Handbook, the Board of Trustees has delegated responsibility to the Audit and Risk Committee, to lead on the internal scrutiny work and maintain an oversight of the Academy Trust's financial, governance, risk management and internal control systems. A programme of internal checks on the academy trust's financial systems was undertaken by a trustee, for this year only. In previous years, the Trust engaged the services of a Financial Consultant to lead on the internal scrutiny work and produce the annual report for trustees and ESFA. However, this was not an option this year and neither has it been possible to appoint an internal auditor due to lack of capacity in local firms.

Non-Financial reviews were carried out by external consultants. The Internal Scrutiny plan for 2021/22 included the following control areas:

- Fundamental finance systems;
- Risk Management and Health & Safety Audits;
- Safeguarding Audits; and
- Cyber Security

The Audit and Risk Committee has recently met and agreed a protocol for Internal Scrutiny for 2022/23 and this will further strengthen the governance and internal control framework. The Committee will meet at least once a term and will receive reports from the external auditor and Internal scrutineer, providing feedback to the Trust Board.

Based on the work undertaken within the year, the overall audit opinion is that the Trust has reasonable and effective procedures in place to address risk management, controls and governance. An Action Plan has been prepared to identify areas for improvement and recommendations.

Review of effectiveness

As Accounting Officer, D Dickinson 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;
- financial analysis and KPI reviews;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework; and
- the work of the external auditor;

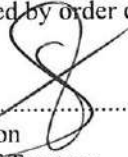

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.



Waterton Academy Trust

Governance Statement (continued)

Approved by order of the members of the Trustees on 8th December 2022 and signed on its behalf by:


.....
S Johnson
Chair of Trustees
.....
D Dickinson
Accounting Officer



Statement of Regularity, Propriety and Compliance

As Accounting Officer of Waterton Academy Trust I have considered my responsibility to notify the academy trust 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 academy trust, 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 Academy Trust Handbook 2021.

I confirm that I and the academy trust 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 Academy Trust Handbook 2021.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Trustees and the ESFA. If any instances are identified after the date of this statement, these will be notified to the Trustees and ESFA:

- **Non-financial issues**

Monthly management accounts have not been prepared in accordance with The Academy Trust Handbook 2021.

.....
D Dickinson
Accounting Officer

8 December 2022



Statement of Trustees' Responsibilities

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:

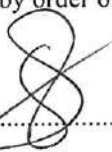
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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 on 8 December 2022 and signed on its behalf by:


.....
S Johnson
Chair of Trustees



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

Opinion

We have audited the financial statements of Waterton Academy Trust (the 'Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent Academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.



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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

- adequate accounting records have not been kept by the parent Academy, 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 18], the Trustees 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 Group's and the parent Academy'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 Group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the local government pension scheme liability.
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the Academies operations and review of compliance with such laws including a review of the Academy Trust Handbook 2021 and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



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

Use of our report

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

Adam Millson ACA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

8 December 2022



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

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

This report is made solely to Waterton Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Waterton Academy Trust and the 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 Waterton Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Trustees's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Trustees's funding agreement with the Secretary of State for Education dated 28 August 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- evaluating the systems and control environment;
- assessing the risk of irregularity, impropriety and non-compliance;
- confirming the activities of the Academy are in keeping with the Academy's framework and the charitable objectives; and
- obtaining representations from the Accounting Officer and Key Management Personnel.



**Independent Reporting Accountant's Assurance Report on Regularity to Waterton Academy Trust
and the Education and Skills Funding Agency (continued)**

Conclusion

In the course of our work, except for the matters listed below 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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Non-financial issues

Management accounts have not been prepared in accordance with The Academy Trust Handbook 2021.

Adam Millson ACA

For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

8 December 2022



Waterton Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
Income and endowments from:					
Donations and capital grants	2	218,232	-	816,276	1,034,508
Other trading activities	4	497,243	214,691	23,620	735,554
Investments	5	366	-	-	366
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	19,616,939	-	19,616,939
Total		715,841	19,831,630	839,896	21,387,367
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations		472,105	21,967,692	606,399	23,046,196
Total		472,105	21,967,692	606,399	23,046,196
Net income/(expenditure)		243,736	(2,136,062)	233,497	(1,658,829)
Transfers between funds		(56,682)	56,682	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	-	14,518,000	-	14,518,000
Gains/losses on revaluation of fixed assets		-	-	(1,674,802)	(1,674,802)
Net movement in funds/(deficit)		187,054	12,438,620	(1,441,305)	11,184,369
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		1,565,490	(12,433,067)	31,305,659	20,438,082
Total funds carried forward at 31 August 2022		1,752,544	5,553	29,864,354	31,622,451



Waterton Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	(As restated) 2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	78,087	-	972,537	1,050,624
Other trading activities	4	164,302	419,849	-	584,151
Investments	5	298	-	-	298
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	18,969,784	-	18,969,784
Total		<u>242,687</u>	<u>19,389,633</u>	<u>972,537</u>	<u>20,604,857</u>
Expenditure on:					
Raising funds	6	-	18,540	-	18,540
<i>Charitable activities:</i>					
Academy trust educational operations		<u>29,645</u>	<u>19,932,788</u>	<u>531,440</u>	<u>20,493,873</u>
Total		<u>29,645</u>	<u>19,951,328</u>	<u>531,440</u>	<u>20,512,413</u>
Net income/(expenditure)		213,042	(561,695)	441,097	92,444
Transfers between funds		-	(606,905)	606,905	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	-	440,000	-	440,000
Net movement in funds/(deficit)		213,042	(728,600)	1,048,002	532,444
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>1,324,474</u>	<u>(11,676,493)</u>	<u>30,257,657</u>	<u>19,905,638</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>1,537,516</u>	<u>(12,405,093)</u>	<u>31,305,659</u>	<u>20,438,082</u>



Waterton Academy Trust

(Registration number: 09124782)

Consolidated Balance Sheet as at 31 August 2022

		(As restated)	
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	29,561,291	30,896,801
Current assets			
Stocks	13	37,036	24,725
Debtors	14	724,777	711,354
Cash at bank and in hand		3,245,232	3,491,003
		4,007,045	4,227,082
Creditors: Amounts falling due within one year	15	(1,133,615)	(1,149,511)
Net current assets		2,873,430	3,077,571
Total assets less current liabilities		32,434,721	33,974,372
Creditors: Amounts falling due after more than one year	16	(27,270)	(43,290)
Net assets excluding pension liability		32,407,451	33,931,082
Pension scheme liability	27	(785,000)	(13,493,000)
Net assets including pension liability		31,622,451	20,438,082
Funds of the Group:			
Restricted funds			
Restricted general fund		790,553	1,059,933
Restricted fixed asset fund		29,864,354	31,305,659
Pension reserve		(785,000)	(13,493,000)
		29,869,907	18,872,592
Unrestricted funds			
Unrestricted general fund		1,752,544	1,565,490
Total funds		31,622,451	20,438,082
Statement of Total Recognised Gains and Losses		2022	
		£	
Net movement in funds/(deficit) for the year		11,184,369	
Prior year adjustment		356,822	
Total gains and losses recognised since last annual report		11,541,191	
2021			
£			
532,444			



(Registration number: 09124782)
Consolidated Balance Sheet as at 31 August 2022 (continued)

Prior Year Adjustment

A prior year adjustment is necessary as income was not recognised in line with the Charities SORP 2019 income recognition criteria in the 2021 financial statements. Government grant income totalling £356,822 was deferred in 2021 and £289,513 in 2020 leaving an overall impact on the 2021 financial statements of £67,309.

The financial statements were approved by the Trustees, and authorised for issue on 8 December 2022 and signed on their behalf by:

S Johnson
Chair of Trustees



Waterton Academy Trust

(Registration number: 09124782)
Balance Sheet as at 31 August 2022

		(As restated)	
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	29,560,184	30,895,212
Current assets			
Stocks	13	37,036	24,725
Debtors	14	766,790	709,791
Cash at bank and in hand		<u>2,867,012</u>	<u>3,108,272</u>
		3,670,838	3,842,788
Creditors: Amounts falling due within one year	15	<u>(1,085,695)</u>	<u>(1,125,674)</u>
Net current assets		<u>2,585,143</u>	<u>2,717,114</u>
Total assets less current liabilities		32,145,327	33,612,326
Creditors: Amounts falling due after more than one year	16	<u>(27,270)</u>	<u>(43,290)</u>
Net assets excluding pension liability		32,118,057	33,569,036
Pension scheme liability	27	<u>(785,000)</u>	<u>(13,493,000)</u>
Net assets including pension liability		<u>31,333,057</u>	<u>20,076,036</u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund		477,521	697,887
Restricted fixed asset fund		29,864,354	31,305,659
Pension reserve		<u>(785,000)</u>	<u>(13,493,000)</u>
		29,556,875	18,510,546
Unrestricted funds			
Unrestricted general fund		<u>1,776,182</u>	<u>1,565,490</u>
Total funds		<u>31,333,057</u>	<u>20,076,036</u>
Statement of Total Recognised Gains and Losses		2022	2021
		£	£
Net movement in funds/(deficit) for the year		11,257,021	486,083
Prior year adjustment		356,822	
Total gains and losses recognised since last annual report		<u><u>11,613,843</u></u>	



Waterton Academy Trust

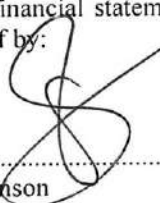
(Registration number: 09124782)

Balance Sheet as at 31 August 2022 (continued)

Prior Year Adjustment

A prior year adjustment is necessary as income was not recognised in line with the Charities SORP 2019 income recognition criteria in the 2021 financial statements. Government grant income totalling £356,822 was deferred in 2021 and £289,513 in 2020 leaving an overall impact on the 2021 financial statements of £67,309.

The financial statements were approved by the Trustees, and authorised for issue on 8 December 2022 and signed on their behalf by:



.....
S Johnson
Chair of Trustees



Consolidated Statement of Cash Flows for the year ended 31 August 2022

		(As restated)	
	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(133,465)	1,371,680
Cash flows from investing activities	22	(96,286)	(86,529)
Cash flows from financing activities	21	<u>15,210</u>	<u>6,300</u>
Change in cash and cash equivalents in the year		(214,541)	1,291,451
Cash and cash equivalents at 1 September		<u>3,245,232</u>	<u>3,491,003</u>
Cash and cash equivalents at 31 August	23	<u><u>3,030,691</u></u>	<u><u>4,782,454</u></u>



Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

General Information

The Trust is a company limited by guarantee and is an exempt charity incorporated in England and Wales. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The company registration number is 09124782.

The address of its registered and principal office is:

Walton Primary Academy
The Grove
Walton
Wakefield
West Yorkshire
WF2 6LD

These financial statements cover the group comprising Waterton Academy Trust and Waterton Pre Schools.

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.

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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its sole subsidiary undertaking. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

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 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.



Notes to the Financial Statements for the Year Ended 31 August 2022 (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.

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

Transfer of existing academies into the trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

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 is 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.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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.

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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.

Asset class	Depreciation method and rate
Land and buildings	Straight line over 125 years
Leasehold improvements	Straight line over 10 years
Computer equipment	33% / 50% straight line
Fixtures, fittings & equipment	25% / 30% / 50% reducing balance

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.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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 applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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 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 based on 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 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 period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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



Notes to the Financial Statements for the Year Ended 31 August 2022 (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 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 Department for Education Group.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 27 will impact on 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 2016 has been used by the actuary in valuing the pensions liability at 31/08/2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Subsidiary undertaking

The financial statements include the results of, a wholly controlled subsidiary. Further details of the subsidiary and its results are set out in note .

2 Donations and capital grants

	Unrestricted Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	2020/21 Total £
Educational trips and visits	158,449	-	158,449	25,268
Capital grants	-	816,276	816,276	972,537
Other donations	59,783	-	59,783	52,819
	<u>218,232</u>	<u>816,276</u>	<u>1,034,508</u>	<u>1,050,624</u>

The income from donations and capital grants was £1,034,508 (2021: £1,050,624) which was allocated between the funds as follows; £218,232 unrestricted funds (2021: £78,087), £Nil restricted funds (2021: £Nil), £816,276 restricted fixed asset funds (2021: £972,537).



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted General Funds £	2021/22 Total £	(As restated) 2020/21 Total £
DfE/ESFA revenue grants			
General Annual Grant	15,224,962	15,224,962	14,136,617
Pupil Premium	1,252,042	1,252,042	1,220,599
Universal Infant Free School Meals	453,907	453,907	471,213
Other DfE Group Grants	658,298	658,298	993,242
	<u>17,589,209</u>	<u>17,589,209</u>	<u>16,821,671</u>
Other government grants			
LA - SEN Income	467,824	467,824	573,860
Other Local Authority Income	1,047,168	1,047,168	1,135,010
Other Income	341,440	341,440	27,974
	<u>1,856,432</u>	<u>1,856,432</u>	<u>1,736,844</u>
Non-government grants and other income			
Other Income	31,072	31,072	-
Covid-19 additional funding (DfE/ESFA)			
Catch-up Premium	139,698	139,698	190,060
Other DfE/ESFA COVID-19 Funding	-	-	201,262
	<u>139,698</u>	<u>139,698</u>	<u>391,322</u>
Covid-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme Grant	528	528	19,947
	<u>528</u>	<u>528</u>	<u>19,947</u>
Total grants	<u>19,616,939</u>	<u>19,616,939</u>	<u>18,969,784</u>

4 Other trading activities

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	8,241	-	-	8,241	19,771
Catering income	232,372	-	-	232,372	148,710
School shop sales	1,742	-	-	1,742	-
Insurance claims	-	14,916	-	14,916	196,379
Other sales	254,888	199,775	23,620	478,283	219,291
	<u>497,243</u>	<u>214,691</u>	<u>23,620</u>	<u>735,554</u>	<u>584,151</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

4 Other trading activities (continued)

The income from other trading activities was £735,554 (2021: £584,151) which was allocated between the funds as follows; £497,243 unrestricted funds (2021: £164,302), £214,691 restricted funds (2021: £419,849), £23,620 restricted fixed asset funds (2021: £Nil).

5 Investment income

	Unrestricted Funds £	2021/22 Total £	2020/21 Total £
Bank interest	366	366	298

6 Expenditure

	Non Pay Expenditure			2021/22 Total £	2020/21 Total £
	Staff costs £	Premises £	Other £		
Expenditure on raising funds					
Allocated support costs	-	-	-	-	18,540
Academy's educational operations					
Direct costs	13,362,294	-	1,312,073	14,674,367	13,251,291
Allocated support costs	4,525,983	1,850,062	1,995,784	8,371,829	7,242,582
	<u>17,888,277</u>	<u>1,850,062</u>	<u>3,307,857</u>	<u>23,046,196</u>	<u>20,512,413</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2021/22 £	2020/21 £
Operating lease rentals	47,697	98,497
Depreciation	573,636	497,415
Fees payable to auditor - audit	15,414	24,720
- other audit services	15,635	23,167

7 Charitable activities

	2021/22 £	2020/21 £
Direct costs - educational operations		
Teaching and educational support staff costs	13,362,294	12,490,334
Educational supplies	554,662	330,323
Staff development	101,321	78,969
Educational consultancy	379,201	155,863
Other direct costs	72,973	117,715
Technology costs	203,916	78,087
	<u>14,674,367</u>	<u>13,251,291</u>
Allocated support costs - educational operations		
Support staff costs	2,940,983	2,781,961
Defined benefit pension scheme service cost adjustment	1,585,000	1,186,000
Depreciation	573,635	497,415
Maintenance of premises and equipment	388,099	414,727
Cleaning	362,118	305,962
Rent, rates and utilities	458,142	411,824
Insurance	68,068	64,100
Recruitment and support	19,879	-
Security and transport	1,902	2,357
Catering	1,006,372	830,972
Bank interest and charges	9,235	1,177
Interest on defined benefit pension scheme	225,000	18,000
Professional fees	95,854	24,836
Other support costs	356,405	383,217
Technology costs	247,343	270,996
Governance costs	33,794	49,038
	<u>8,371,829</u>	<u>7,242,582</u>
	<u>23,046,196</u>	<u>20,493,873</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Staff

Staff costs

	2021/22 £	2020/21 £
Staff costs during the year were:		
Wages and salaries	12,033,999	11,638,540
Social security costs	1,061,027	981,077
Pension costs	4,035,561	3,551,392
	<u>17,130,587</u>	<u>16,171,009</u>
Supply staff costs	721,477	262,791
Staff restructuring costs	36,213	24,495
	<u>17,888,277</u>	<u>16,458,295</u>
	2021/22 £	2020/21 £

Staff restructuring costs comprise:

Severance payments	<u>36,213</u>	<u>24,495</u>
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Severance payments

The Academy trust paid 3 severance payments in the year disclosed in the following bands:

	2021/22 £	2020/21 £
0 - £25,000	<u>3</u>	<u>3</u>

Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £36,213 (2021: £24,495). Individually, the payments were:

Non-contractual payments	£12,320
Non-contractual payments	£15,376
Non-contractual payments	£8,517

Staff numbers

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

	2021/22 No	2020/21 No
Teachers	169	173
Administration and support	381	384
Management	<u>19</u>	<u>18</u>
	<u>569</u>	<u>575</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Staff (continued)

Higher paid staff

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

	2021/22	2020/21
	No	No
£60,001 - £70,000	7	6
£70,001 - £80,000	5	4
£130,001 - £140,000	1	1

Key management personnel

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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,675,132 (2021: £1,411,755).

9 Central services

The academy trust charges for these services on the following basis:

The Academy Trust has moved to a GAG pooling arrangement, whereby an operational budget is retained and managed centrally. This provides all constituent schools with leadership, financial and business services to maintain and improve educational standards across the Trust, promoting stronger outcomes for pupils.

The operational budget is funded by contributions from each academy, and reviewed annually at the beginning of the budget setting process. All schools manage their own Educational budget which is essentially staffing, curriculum resources and local agreements.

Wherever possible, contracts and SLA's are agreed as a trust wide arrangement, rather than individual schools, thereby promoting cost and operational efficiencies. Resources provided by Waterton Academy Trust from within the operational budget include the following:

- Leadership support - CEO
- School Improvement support - CESO and School Improvement Team
- Finance & Procurement Support - CFO and the central Finance team
- HR Support - COO and the central HR team
- Premises Support - COO and the central Estates team
- Governance Support - CEO and Governance Officer
- Supplies and services include but not exclusively:
 - Pupil Information and Data MIS
 - HR, Finance and Estates Management Information Systems,
 - Premises Compliance and Statutory Inspections
 - IT support and Website maintenance services
 - Telephony service operating lease,
 - Recruitment, Payroll and HR advisory services
 - Educational Psychology Services



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

9 Central services (continued)

The actual amounts charged during the year were as follows:

	2021/22 £	2020/21 £
Walton Primary Academy	146,300	127,463
Normanton Common Primary Academy	146,300	136,188
Normanton Junior Academy	159,600	157,496
Crofton Infants School	79,800	76,283
Lee Brigg Infant School	66,500	59,639
Sharlston Community School	146,300	129,866
South Kirkby Academy	106,400	117,596
Wrenthorpe Academy	146,300	130,316
Cherry Tree Academy	146,300	136,934
Ackworth Mill Dam School	93,100	71,816
West End Academy	93,100	94,392
Kings Meadow Academy	146,300	129,794
Churchfield Primary School	186,200	180,216
	<u>1,662,500</u>	<u>1,547,999</u>

10 Related party transactions - trustees' remuneration and expenses

No Trustees have been paid remuneration or have received other benefits from employment with the Academy Trust for the year ended 31st August 2022.

During the year ended 31 August 2022, travel and subsistence expenses totalling £653 (2021 - 840) were reimbursed or paid directly to 2 trustees (2021 - 1).

Other related party transactions involving the trustees are set out in note 28.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The Trust have opted into the Department for Education's risk protection arrangement (RPA) for Trusts from 1st September 2021. This scheme provides unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

The cost of this insurance is included in the total insurance cost.



Waterton Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

12 Tangible fixed assets

Group

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	2021/22 Total £
Cost					
At 1 September 2021	30,853,683	545,815	442,805	665,981	32,508,284
Revaluations	(2,406,791)	-	-	-	(2,406,791)
Additions	-	730,362	58,429	124,137	912,928
At 31 August 2022	<u>28,446,892</u>	<u>1,276,177</u>	<u>501,234</u>	<u>790,118</u>	<u>31,014,421</u>
Depreciation					
At 1 September 2021	904,873	59,927	295,353	351,330	1,611,483
Revaluations	(731,989)	-	-	-	(731,989)
Charge for the year	234,337	82,361	96,132	160,806	573,636
At 31 August 2022	<u>407,221</u>	<u>142,288</u>	<u>391,485</u>	<u>512,136</u>	<u>1,453,130</u>
Net book value					
At 31 August 2022	<u>28,039,671</u>	<u>1,133,889</u>	<u>109,749</u>	<u>277,982</u>	<u>29,561,291</u>
At 31 August 2021	<u>29,948,810</u>	<u>485,888</u>	<u>147,452</u>	<u>314,651</u>	<u>30,896,801</u>

Academy

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	2021/22 Total £
Cost					
At 1 September 2021	30,853,683	545,815	442,805	664,051	32,506,354
Revaluations	(2,406,791)	-	-	-	(2,406,791)
Additions	-	730,362	58,429	124,137	912,928
At 31 August 2022	<u>28,446,892</u>	<u>1,276,177</u>	<u>501,234</u>	<u>788,188</u>	<u>31,012,491</u>
Depreciation					
At 1 September 2021	904,873	59,927	295,353	350,989	1,611,142
Revaluations	(731,989)	-	-	-	(731,989)
Charge for the year	234,337	82,361	96,132	160,324	573,154
At 31 August 2022	<u>407,221</u>	<u>142,288</u>	<u>391,485</u>	<u>511,313</u>	<u>1,452,307</u>
Net book value					
At 31 August 2022	<u>28,039,671</u>	<u>1,133,889</u>	<u>109,749</u>	<u>276,875</u>	<u>29,560,184</u>
At 31 August 2021	<u>29,948,810</u>	<u>485,888</u>	<u>147,452</u>	<u>313,062</u>	<u>30,895,212</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

12 Tangible fixed assets (continued)

Analysis of cost or valuation of land and buildings:

	2022 £	2021 £
Revalued Land & Buildings	10,737,793	12,417,916
Transferred in valuation of Land & Buildings	18,435,767	18,435,767
	<u>29,173,560</u>	<u>30,853,683</u>

13 Stock

	Group		Academy	
	2022 £	2021 £	2022 £	2021 £
Books and stationery	<u>37,036</u>	<u>24,725</u>	<u>37,036</u>	<u>24,725</u>

14 Debtors

	Group		Academy	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	57,000	33,223	99,013	31,660
VAT recoverable	152,566	194,827	152,566	194,827
Prepayments	251,381	147,064	251,381	147,064
Accrued grant and other income	<u>263,830</u>	<u>336,240</u>	<u>263,830</u>	<u>336,240</u>
	<u>724,777</u>	<u>711,354</u>	<u>766,790</u>	<u>709,791</u>

15 Creditors: amounts falling due within one year

	Group (As restated)		Academy (As restated)	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	103,358	545,548	100,461	530,045
Other taxation and social security	256,901	238,279	254,426	236,175
Loans	16,020	15,210	16,020	15,210
Accruals	474,136	70,330	432,219	65,620
Deferred income	1,900	3,501	1,900	3,501
Pension scheme creditor	<u>281,300</u>	<u>276,643</u>	<u>280,669</u>	<u>275,123</u>
	<u>1,133,615</u>	<u>1,149,511</u>	<u>1,085,695</u>	<u>1,125,674</u>



Waterton Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

15 Creditors: amounts falling due within one year (continued)

Group

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	3,501	-
Resources deferred in the period	1,900	3,501
Amounts released from previous periods	<u>(3,501)</u>	<u>-</u>
Deferred income at 31 August 2022	<u>1,900</u>	<u>3,501</u>

Deferred income in 2022 relates to school trip income received in advance (2021: £nil). The deferred income in 2021 relates to sponsorship money received in advance.

Academy

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	3,501	-
Resources deferred in the period	1,900	3,501
Amounts released from previous periods	<u>(3,501)</u>	<u>-</u>
Deferred income at 31 August 2022	<u>1,900</u>	<u>3,501</u>

Amounts totalling £1,900 (2021: £nil) was received for educational trips and visits in advance during the year. In 2021, amounts totalling £3,501 was received for sponsorship money.

16 Creditors: amounts falling due in greater than one year

	Group		Academy	
	2022 £	2021 £	2022 £	2021 £
Loans	<u>27,270</u>	<u>43,290</u>	<u>27,270</u>	<u>43,290</u>

Loans of £27,270 from DFE - Salix Loans which is provided on the following terms: An interest free loan was granted at the following school's within the Trust:

- Crofton Infant School - interest free loan for a period of 4 years from March 2022 with biannual repayments.
- Cherry Tree Academy - interest free loan for a period of 4 years from March 2020 with biannual repayments.
- Walton Primary Academy - interest free loan for a period of 4 years from March 2020 with biannual repayments.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds

Group

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General annual grant (GAG)	228,697	15,224,962	(15,532,836)	79,320	143
Pupil premium	203,213	1,252,042	(1,235,171)	-	220,084
Universal Infant Free School Meals	265,977	593,605	(602,216)	-	257,366
Other DFE/ESFA grants	-	658,298	(658,298)	-	-
Other government grants	-	1,696,882	(1,696,882)	-	-
Other restricted funds	362,046	405,841	(432,289)	(22,638)	312,960
LGPS fund	(13,493,000)	-	(1,810,000)	14,518,000	(785,000)
	<u>(12,433,067)</u>	<u>19,831,630</u>	<u>(21,967,692)</u>	<u>14,574,682</u>	<u>5,553</u>
Restricted fixed asset funds					
Inherited on conversion	27,579,550	-	(573,636)	(1,674,802)	25,331,112
DFE group capital grants	2,510,206	839,896	(32,763)	-	3,317,339
Capital expenditure from GAG	1,215,903	-	-	-	1,215,903
	<u>31,305,659</u>	<u>839,896</u>	<u>(606,399)</u>	<u>(1,674,802)</u>	<u>29,864,354</u>
Total restricted funds	18,872,592	20,671,526	(22,574,091)	12,899,880	29,869,907
Unrestricted funds					
Unrestricted general funds	<u>1,565,490</u>	<u>715,841</u>	<u>(472,105)</u>	<u>(56,682)</u>	<u>1,752,544</u>
Total funds	<u>20,438,082</u>	<u>21,387,367</u>	<u>(23,046,196)</u>	<u>12,843,198</u>	<u>31,622,451</u>

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

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General annual grant (GAG)	28,491	14,136,617	(13,329,506)	(606,905)	228,697
Pupil premium	-	1,220,599	(1,017,386)	-	203,213
Universal Infant Free School Meals	261,022	455,961	(451,006)	-	265,977
Other DFE/ESFA grants	-	1,008,494	(1,008,494)	-	-
Other government grants	-	2,120,139	(2,120,139)	-	-
Other restricted funds	382,994	419,849	(440,797)	-	362,046
LGPS fund	(12,349,000)	-	(1,584,000)	440,000	(13,493,000)
	<u>(11,676,493)</u>	<u>19,361,659</u>	<u>(19,951,328)</u>	<u>(166,905)</u>	<u>(12,433,067)</u>



Waterton Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted fixed asset funds					
Inherited on conversion	27,847,191	-	(267,641)	-	27,579,550
DFE group capital grants	1,801,468	972,537	(263,799)	-	2,510,206
Capital expenditure from GAG	608,998	-	-	606,905	1,215,903
	<u>30,257,657</u>	<u>972,537</u>	<u>(531,440)</u>	<u>606,905</u>	<u>31,305,659</u>
Total restricted funds	18,581,164	20,334,196	(20,482,768)	440,000	18,872,592
Unrestricted funds					
Unrestricted general funds	1,324,474	270,661	(29,645)	-	1,565,490
Total funds	<u>19,905,638</u>	<u>20,604,857</u>	<u>(20,512,413)</u>	<u>440,000</u>	<u>20,438,082</u>

Academy

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	228,697	15,224,962	(15,509,270)	55,682	71
Pupil Premium	203,213	1,252,042	(1,235,171)	-	220,084
Universal Infant Free School Meals	265,977	593,605	(602,216)	-	257,366
Other DFE/ESFA grants	-	658,298	(658,298)	-	-
Other government grants	-	1,696,882	(1,696,882)	-	-
Pension reserve	(13,493,000)	-	(1,810,000)	14,518,000	(785,000)
	<u>(12,795,113)</u>	<u>19,425,789</u>	<u>(21,511,837)</u>	<u>14,573,682</u>	<u>(307,479)</u>
Restricted fixed asset funds					
Inherited on conversion	27,579,550	-	(573,636)	(1,674,802)	25,331,112
DFE Group Capital Grants	2,510,206	839,896	(32,763)	-	3,317,339
Capital expenditure from GAG	1,215,903	-	-	-	1,215,903
	<u>31,305,659</u>	<u>839,896</u>	<u>(606,399)</u>	<u>(1,674,802)</u>	<u>29,864,354</u>
Total restricted funds	18,510,546	20,265,685	(22,118,236)	12,898,880	29,556,875
Unrestricted funds					
Unrestricted general funds	1,565,490	738,479	(472,105)	(55,682)	1,776,182
Total funds	<u>20,076,036</u>	<u>21,004,164</u>	<u>(22,590,341)</u>	<u>12,843,198</u>	<u>31,333,057</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

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

	Balance at 1 September 2020 £	Incoming resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	28,491	14,136,617	(13,329,506)	(606,905)	228,697
Pupil Premium	-	1,220,599	(1,017,386)	-	203,213
Universal Infant Free School Meals	261,022	455,961	(451,006)	-	265,977
Other DFE/ESFA grants	-	1,008,494	(1,008,494)	-	-
Other government grants	-	2,120,139	(2,120,139)	-	-
	<u>289,513</u>	<u>18,941,810</u>	<u>(17,926,531)</u>	<u>(606,905)</u>	<u>697,887</u>
Restricted fixed asset funds					
Inherited on conversion	27,847,191	-	(267,641)	-	27,579,550
DFE Group Capital Grants	1,801,468	972,537	(263,799)	-	2,510,206
Capital expenditure from GAG	608,998	-	-	606,905	1,215,903
	<u>30,257,657</u>	<u>972,537</u>	<u>(531,440)</u>	<u>606,905</u>	<u>31,305,659</u>
Other restricted funds					
Pension reserve	<u>(12,349,000)</u>	-	<u>(1,584,000)</u>	<u>440,000</u>	<u>(13,493,000)</u>
Total restricted funds	18,198,170	19,914,347	(20,041,971)	440,000	18,510,546
Unrestricted funds					
Unrestricted general funds	<u>1,324,474</u>	<u>270,661</u>	<u>(29,645)</u>	-	<u>1,565,490</u>
Total funds	<u>19,522,644</u>	<u>20,185,008</u>	<u>(20,071,616)</u>	<u>440,000</u>	<u>20,076,036</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

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

Restricted General Funds

General Annual Grant (GAG) must be used for the normal running costs of the Trust.

Other DfE / ESFA grants is made up of income for insurance costs, rates relief, teachers' pay, teachers' pensions and Free School Meal supplementary grant (FSM).

Pupil Premium may be spent for the educational benefit of pupils registered at that Academy, or for the benefit of pupils registered at other Academies; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the Academy or their families, or people who live or work in the locality in which the Academy is situated. The grant does not have to be completely spent by Academies in the period.

Universal Infant Free School meals income must be used to provide all pupils in reception, year 1 and year 2 with a free school lunch.

Restricted Fixed Asset funds

Fixed asset funds are used solely for capital purposes in line with the strategic objectives of the Trust. The capital grant conditions allow the funds to be used for improvement to buildings and other facilities, including ICT, or capital repairs / refurbishment in accordance with priorities set by each school. Where the grant is used for expenditure to repair and maintain schools or non-capital ICT this expenditure is allocated in the year.

Condition Improvement Funding is allocated to the Trust from the DfE. Its primary purpose is to address significant building condition need and keeping Academy buildings safe and in good working order.

Devolved Formula Capital (DFC) either allocated direct by the DfE or transferred on conversion from the Local Authority must be spent on capital purposes.

The inherited assets consist of the fixed assets transferred to the Trust on conversion from the Local Authority. The expenditure is the depreciation of these assets during the year.

Unrestricted funds

Unrestricted funds will be used towards meeting the charitable objectives of the Trust at the discretion of the Trustees.

A transfer of £56,682 was made during the year to represent self-generated funds transferred to restricted income funds.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	(As restated)	
	2022	2021
	£	£
Ackworth Mill Dam School	95,395	90,203
Cherry Tree Academy	(20,759)	33,724
Churchfield Primary School	330,993	343,138
Crofton Infants School	272,459	205,374
Kings Meadow Academy	162,874	152,414
Lee Brigg Infant School	34,493	38,140
Normanton Common Primary Academy	236,834	264,226
Normanton Junior Academy	129,044	130,677
Sharlston Community School	50,809	54,812
South Kirkby Academy	423,504	400,868
Walton Primary Academy	(15,199)	18,735
Waterton Pre School - Wrenthorpe	312,960	360,457
West End Academy	176,428	119,759
Wrenthorpe Academy	196,056	267,228
Central services	157,206	145,668
Total before fixed assets and pension reserve	2,543,097	2,625,423
Restricted fixed asset fund	29,864,354	31,305,659
Pension reserve	(785,000)	(13,493,000)
Total	31,622,451	20,438,082

Walton Primary Academy is carrying a net deficit of £15,199. The school has remained in a deficit position for a number of years. Expenditure has been rationalised wherever possible without impacting negatively on outcomes, which remain strong. However, the long-term absence of a teacher has caused significant additional cost as the school was originally expected to return an in-year surplus. Income from breakfast and after school clubs has still not achieved pre-COVID levels but continue to supplement the school's budget. The past two years have seen low nursery numbers and a reduction in Early Years funding. Although the school has returned a balanced budget for 2022/23, there can be no slide into an in-year deficit, and this will be monitored closely by the central team reserves over the last few years.

Cherry Tree Academy is carrying a net deficit of £20,759. The school was our second sponsored academy and is in the Ofsted window. We need to secure a 'good' judgement but behaviour continues to be challenging with a high level of exclusions. However, staffing is now stable with a new leadership structure and SENCO in post, together with the recruitment of 4 additional TA's to address behaviour and release leaders. Trustees have supported further investment in the school for resources, staffing and capital investment, and were aware that the school would return a deficit outturn.

The number of pupils on roll has fallen significantly and the school will continue to face huge financial challenges until numbers begin to rise. However, Waterton Pre-Schools has opened its second setting Cherry Blossoms at CTA, and it is anticipated that this will improve numbers coming through into school for CTA.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2022 £	Total 2021 £
Ackworth Mill Dam School	697,572	95,082	14,279	187,448	994,381	834,997
Cherry Tree Academy	1,228,951	163,216	20,448	236,215	1,648,830	1,499,638
Churchfield Primary School	1,378,026	258,402	47,953	297,038	1,981,419	1,945,414
Crofton Infants School	694,632	77,431	12,490	140,577	925,130	918,893
Kings Meadow Academy	1,045,882	146,473	30,082	195,971	1,418,408	1,358,067
Lee Brigg Infant School	574,746	74,147	12,123	135,930	796,946	712,156
Normanton Common Primary Academy	1,222,139	165,422	16,738	251,940	1,656,239	1,517,482
Normanton Junior Academy	1,150,797	204,304	42,434	323,148	1,720,683	1,602,943
Sharlston Community School	1,064,533	169,969	17,923	274,044	1,526,469	1,405,840
South Kirkby Academy	892,135	115,564	24,934	250,081	1,282,714	1,144,293
Walton Primary Academy	1,071,469	177,099	26,143	288,102	1,562,813	1,423,919
Waterton Pre School - Wrenthorpe	-	344,662	23,232	41,682	409,576	350,763
West End Academy	641,379	89,078	21,824	198,770	951,051	991,808
Wrenthorpe Academy	991,081	124,993	15,489	331,250	1,462,813	1,330,217
Central services	686,942	2,567,292	7,479	873,374	4,135,087	1,760,386
Academy Trust	<u>13,340,284</u>	<u>4,773,134</u>	<u>333,571</u>	<u>4,025,570</u>	<u>22,472,559</u>	<u>18,796,816</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Analysis of net assets between funds

Group

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	29,561,291	29,561,291
Current assets	1,752,544	1,951,438	303,063	4,007,045
Current liabilities	-	(1,133,615)	-	(1,133,615)
Creditors over 1 year	-	(27,270)	-	(27,270)
Pension scheme liability	-	(785,000)	-	(785,000)
Total net assets	<u>1,752,544</u>	<u>5,553</u>	<u>29,864,354</u>	<u>31,622,451</u>

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	30,896,801	30,896,801
Current assets	1,565,490	2,252,734	408,858	4,227,082
Current liabilities	-	(1,149,511)	-	(1,149,511)
Creditors over 1 year	-	(43,290)	-	(43,290)
Pension scheme liability	-	(13,493,000)	-	(13,493,000)
Total net assets	<u>1,565,490</u>	<u>(12,433,067)</u>	<u>31,305,659</u>	<u>20,438,082</u>

19 Long-term commitments, including operating leases

Group

Operating leases

At 31 August 2022 the Group had annual commitments under non-cancellable operating leases as follows:

	2022 £	2021 £
Amounts due within one year	40,335	66,234
Amounts due between one and five years	<u>40,839</u>	<u>79,336</u>
	<u>81,174</u>	<u>145,570</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

19 Long-term commitments, including operating leases (continued)

Academy

Operating leases

At 31 August 2022 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	40,335	66,234
Amounts due between one and five years	40,839	79,336
	<u>81,174</u>	<u>145,570</u>

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

	2022 £	(As restated) 2021 £
Net (expenditure)/income	(1,658,829)	92,444
Depreciation	573,636	497,415
Capital grants from DfE and other capital income	(816,276)	(972,537)
Interest receivable	(366)	(298)
Defined benefit pension scheme service cost adjustment	1,585,000	1,186,000
Defined benefit pension scheme finance cost	225,000	18,000
(Increase)/decrease in stocks	(12,311)	6,942
Increase in debtors	(13,423)	(110,248)
(Decrease)/increase in creditors	(15,896)	482,940
Assets transferred on conversion to an academy trust	-	171,022
Net cash (used in)/provided by Operating Activities	<u>(133,465)</u>	<u>1,371,680</u>

21 Cash flows from financing activities

	2022 £	2021 £
Repayments of borrowing	15,210	14,400
Cash inflows from new borrowing	-	(8,100)
Net cash provided by financing activities	<u>15,210</u>	<u>6,300</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Cash flows from investing activities

	2022 £	2021 £
Interest received	366	298
Purchase of tangible fixed assets	(912,928)	(1,059,364)
Capital funding received from DfE / ESFA	816,276	972,537
Net cash used in investing activities	<u>(96,286)</u>	<u>(86,529)</u>

23 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	<u>3,245,232</u>	<u>3,491,003</u>
Total cash and cash equivalents	<u>3,245,232</u>	<u>3,491,003</u>

24 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash	3,491,003	(245,771)	3,245,232
Loans falling due within one year	(15,210)	(810)	(16,020)
Loans falling due after more than one year	<u>(43,290)</u>	<u>16,020</u>	<u>(27,270)</u>
	<u>(58,500)</u>	<u>15,210</u>	<u>(43,290)</u>
Total	<u>3,432,503</u>	<u>(230,561)</u>	<u>3,201,942</u>

25 Contingent liabilities

Group

There is a potential liability for Waterton Academy Trust relating to claims made by and on behalf of term-time only employees who allege that they have not been paid the correct amount of holiday pay following the Supreme Court decision on the Brazel vs. Harpur Trust case. There is limited legal precedent on calculating settlement figures therefore the Academy Trust are unable to reliably quantify the financial impact.

26 Member 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.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations

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

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

Contributions amounting to £(281,300) (2021 - £(276,643)) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,654,584 (2021: £1,639,736).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £985,000 (2021 - £965,000), of which employer's contributions totalled £737,000 (2021 - £716,000) and employees' contributions totalled £248,000 (2021 - £249,000). The agreed contribution rates for future years are 16.1% - 16.8% per cent for employers and 5.5% - 12.5% per cent for employees.



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations (continued)

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.00	4.00
Rate of increase for pensions in payment/inflation	2.90	2.80
Discount rate for scheme liabilities	4.20	1.70
Inflation assumptions (CPI)	<u>2.90</u>	<u>2.70</u>

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

	2022	2021
Retiring today		
Males retiring today	22.60	22.60
Females retiring today	25.60	23.60
Retiring in 20 years		
Males retiring in 20 years	23.00	24.90
Females retiring in 20 years	<u>26.00</u>	<u>26.00</u>

Sensitivity analysis

	2022	2021
	£	£
Discount rate -0.1%	454,000	734,000
Mortality assumption – 1 year increase	515,000	1,095,000
CPI rate +0.1%	<u>379,000</u>	<u>626,000</u>

The Academy's share of the assets in the scheme were:

	2022	2021
	£	£
Equities	13,411,600	12,247,000
Government bonds	988,000	1,351,000
Other bonds	971,600	740,000
Property	740,420	671,000
Cash and other liquid assets	633,380	331,000
Other	<u>232,000</u>	<u>502,000</u>
Total market value of assets	<u>16,977,000</u>	<u>15,842,000</u>

The actual return on scheme assets was £222,000 (2021 - £2,532,000).



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2021/22 £	2020/21 £
Current service cost	(2,322,000)	(2,095,000)
Interest income	275,000	218,000
Interest cost	(500,000)	(423,000)
Total amount recognized in the SOFA	<u>(2,547,000)</u>	<u>(2,300,000)</u>

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

	2021/22 £	2020/21 £
At start of period	29,335,000	24,723,000
Current service cost	2,322,000	2,092,000
Interest cost	500,000	423,000
Employee contributions	248,000	249,000
Actuarial (gain)/loss	(14,296,000)	2,071,000
Benefits paid	(347,000)	(223,000)
At 31 August	<u>17,762,000</u>	<u>29,335,000</u>

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

	2021/22 £	2020/21 £
At start of period	15,842,000	12,374,000
Interest income	275,000	215,000
Actuarial gain/(loss)	222,000	2,511,000
Employer contributions	737,000	716,000
Employee contributions	248,000	249,000
Benefits paid	(347,000)	(223,000)
At 31 August	<u>16,977,000</u>	<u>15,842,000</u>



Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

28 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. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

Learner's First Schools Partnership Limited

(K Davies (Trustee) is a Director of this company)

During the year, the Trust paid £200 (2021:£4,587) to the company for services provided.

Omnibus Education Ltd

(D Dickinson's (CEO) brother has a material interest in this company)

During the year, the Trust paid £36,144.20 (2021:£27,041) to the company for consultancy services delivered to train both internal and external trainees as part of the Apprenticeship Programmes in the Centre for Excellence.

The element above £2,500 has been provided 'at no more than cost' and Omnibus Education Ltd has provided a statement of assurance confirming this.

H Beaman

(H Beaman, spouse of P C Beaman (Trustees resigned 31/12/21), is employed by the Academy Trust as a School Admin Officer)

H Beaman's appointment was made in open competition and P C Beaman was not involved in the decision making process regarding appointment. H Beaman is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship with the Trustee.

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

29 Subsidiary undertakings

Waterton Pre Schools - 10860302

These financial statements include Waterton Academy Trust and Waterton Pre School. The Pre School is controlled by the Trust by virtue of the Trust being the only member of the Pre School.

Registered office
C/O Walton Primary Academy
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