

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 14
Governance statement	15 - 18
Statement on regularity, propriety and compliance	19
Trustees' responsibilities statement	20
Independent auditors' report	21 - 22
Independent reporting accountant's assurance report on regularity	23 - 24
Statement of financial activities	25
Balance sheet	26
Cash flow statement	27
Notes to the financial statements	28 - 52

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	I Arnold (resigned 13 February 2015) ¹ S Bradfield (resigned 17 July 2015) ¹ M Broad (appointed 1 September 2015) T Gale (appointed 1 September 2015) M Morley (appointed 1 September 2015) K Reynolds, Chair (appointed 12 December 2014) C Ryan (resigned 1 September 2015)
Trustees	A Arlidge, Chief Executive and Accounting officer ¹ M Atkinson (resigned 6 February 2015) I Carter (resigned 18 September 2014) ¹ A Inker M Morley K Reynolds, Chair (appointed 12 December 2014) S Robbins, Vice Chair (appointed 1 July 2015) ¹ N Simpson C Trout (appointed 1 August 2015) C Whitfield (resigned 17 July 2015) A Williams ¹ Finance and Resources Committee
Company registered number	07746787
Principal and Registered office	Wellsway School Chandag Road Keynsham Bristol BS31 1PH
Company secretary	T Howes
Executive Leadership Team	A Arlidge, Chief Executive S White, Head of School, Wellsway School R Maule, Principal, SBL C Cattanach, Principal, Bath Studio School and Aspire D Gibbs, Principal, IKB M Cottrell, Director of Primary T Howes, Business Director
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT

**WELLSWAY MULTI ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Bankers	Lloyds Bank plc PO BOX 1000 Andover BX1 1LT
	Natwest Bank plc 26 High Street Keynsham BS99 5FW
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates four academies for pupils aged 11 to 19 in Bristol and Bath. It had a combined roll of 2,537 in the school census in January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of Wellsway Multi Academy Trust are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £5,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 19 August 2011 the Trustees appointed all those Governors that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process. Trustees in place or appointed at 1 April 2014 when the single school Trust became the Multi Academy Trust, were those approved by the Department for Education.

The number of Trustees shall not be less than three but shall not be subject to any maximum. The Trust shall have the following trustees as set out in its Articles of Association:

- The Chief Executive, as Accounting Officer;
- Up to five Academy Trustees including the chair of Wellsway School Local Governing Body along with up to four chairs of other Local Governing Bodies;
- One member of the Local Governing Body of Wellsway School; and,
- Three other Trustees appointed by the Members.

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academies and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are four committees as follows:

- **Finance and Resources Committee** - this meets at least four times a year and its purpose is as follows:
 - To ensure that the Trust's framework of financial planning, systems and controls is enabling proper management of financial resources across the Trust;
 - To support the Board of Trustees in ensuring that a framework is established for optimising the employment of all financial and other resources; and,
 - To support the Board in providing an added level of scrutiny in the monitoring of finance and resources.
- **Audit and Risk Committee** – this meets at least three times a year and its purpose is as follows:
 - To monitor and assess internal controls to ensure that the Trust is operating at appropriate levels of risk and in compliance with the Code of Audit Practice;
 - To take responsibility for external and internal audit matters;
 - To support the Board in ensuring that a framework is established for the identification and management of risk; and,
 - To support the Board in providing an added level of scrutiny in the monitoring of risk.
- **Remuneration and Selection Committee** – this meets at least three times a year and its purpose is as follows:
 - To develop a strategy for all issues relating to staff salaries and benefits;
 - To consider issues relating to the contracts of employment of the CEO and other members of the Executive Leadership Team;
 - To oversee processes for the recruitment, induction, appraisal and training of trustees, governors and committee members;
 - To keep under review the skills, knowledge and experience of members of the Board and other committees;
 - To oversee the Trust's strategy in relation to equality, diversity and inclusion; and,
 - To support the Board in providing an added level of scrutiny in the monitoring of HR and governance.
- **Local Governing Bodies** – they exist separately for each school and meet six times a year. Their purpose is as follows:
 - To ensure all students within the Trust have access to a high quality education;
 - To monitor the implementation of each academy's development plan against strategic and local objectives;
 - To ensure that the academic and wellbeing needs of all students are being met; and,
 - To ensure all students are safeguarded.

**WELLSWAY MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Board of Trustees have devolved responsibility for day to day management of the Trust to the Headteachers and Senior Leadership Teams (SLT) of each school. The SLT can include the Headteacher, Deputy and Assistant Headteacher and Heads of Department. The SLT implement the policies laid down by the Trustees and the schools' Local Governing Bodies and reports back to them on performance.

The Chief Executive Officer is the Accounting Officer.

Connected Organisations, including Related Party Relationships

Wellsway Multi Academy Trust is one of the partners of the Bath Education Trust, an umbrella trust including the University of Bath, Rotork plc and the City of Bath College. The Trust partners are committed and signed up to specific areas of collaboration such as leadership development, business efficiency and careers and work-related Education.

The Friends of Wellsway (PTA) Keynsham undertakes fundraising activities on behalf of the school.

The Trust has strong collaborative links with 8 partner schools and Broadlands Academy which form part of the Keynsham Area Family of Schools (KAFOS).

Sport Wellsway, a Community Interest Company (CIC) (no. 8293101) is a wholly owned subsidiary of the Academy. The objects of the CIC is to provide, for the benefit of community, sporting and community facilities. At 31 August 2015, the Directors were:

- Irene Arnold
- Simon White
- Andrea Arlidge
- Susan Robbins

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Multi Academy Trust

The long term objective of the Trust is to become a strong local partnership of schools that provides for all ages from 5 – 19, with a fully inclusive range of provision. Each Academy within the Trust will have its own unique characteristics. Collaboration and joint working will ensure that all academies in the Trust can share in, and benefit from, each other's strengths.

The aims of the Trust during the year ended 31 August 2015 are summarised below:

- to raise standards through outstanding teaching and learning;
- to increase capacity by providing opportunities to give better value for money;
- to provide strong, effective governance at all levels within a framework of local accountability;
- to offer better opportunities for all children and their families;
- to provide more opportunities for the staff of each school to share their knowledge and develop together;
- to provide further opportunities for shared training and professional support;
- to provide a wider range of career opportunities for all staff within the Trust; and,
- to enable all schools within the Trust to recruit and retain high quality teachers and support staff.

In accordance with these aims, during the year to August 2015, the Trust was planning for its second studio school to open in September 2015 and for a first primary school to join the Trust. Construction on the new IKB Studio School, which specialises in Science, Technology, Engineering and Maths, began in March 2015 and will be completed by February 2016. In the meantime the school has opened its doors to 67 students within temporary accommodation on the Wellsway School site. The Trust also began discussions with the governors at St John's CEVC Primary School in Keynsham in early 2015, culminating in its conversion to academy status within the Trust on 1 September 2015.

Aspire Academy

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all students;
- To provide a broad and balanced curriculum with a significant focus on literacy and numeracy;
- To develop students as more effective learners, able to self-manage emotions and behaviour so that they are equipped to deal with the challenges of adult life;
- To enhance all outcomes so that no student who leaves the school is not in employment, education or training (NEETS);
- To continue to develop the Academy site so that it enables students to achieve their full potential in a stimulating and welcoming environment;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended and seek additional income streams through grants and scholarships;
- To develop greater coherence, clarity and effectiveness in school systems with particular focus on self-evaluation, strong governance, challenge and support;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with other academies within the Trust and with the multiplicity of agencies that work in partnership with the school on a daily basis;
- To develop the Academy's capacity to manage change and seize the opportunities presented in the new educational landscape of multi-academy trusts; and,
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Aspire Academy we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values as per our Trust aims. Our Academy is a small community in which students, staff and parents/carers work productively together to achieve the very best outcomes for each child.

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan which is available from the School. Improvement focuses identified for this year include:

- Major focus on assessment for learning: effective feedback and strong, purposeful responses from learners to ensure progress in learning is sustained;
- Implementing enhanced procedures for self evaluation and make this open to all key stakeholders by producing a new online stakeholder portal for sharing information;
- Raising Achievement by focussing on literacy and numeracy as key catalysts for accessing the curriculum and underpinning progress across the whole curriculum;
- Implementing a revised safeguarding policy and procedures which includes 'Prevent' measures to tackle radicalisation; and,
- Major focus on improving leadership and governance with higher levels of challenge and support evidenced to monitor, evaluate and influence the school's strategic direction.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

During the year the Academy undertook the following work:

- Refurbishment of one teaching space in the main building to help with overflow of additional primary children.

Bath Studio School

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all students;
- To provide a broad and balanced curriculum with a significant focus on literacy and numeracy to address the deficits in learning at key stage 3 and key stage 4 from previous learners;
- To develop students as more effective learners, able to demonstrate strong employability skills as addressed by the Studio School 'Create' learning framework;
- To enhance all outcomes so that no student who leaves the school is not in employment, education or training (NEETS);
- To continue to develop the Academy site so that it enables students to achieve their full potential in a stimulating and welcoming environment;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended and seek additional income streams through grants and scholarships;
- To develop greater coherence, clarity and effectiveness in school systems with particular focus on self-evaluation, strong governance, challenge and support;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with other academies within the Trust and other local partnerships to enhance education provision;
- To develop the Academy's capacity to manage change and seize the opportunities presented in the new educational landscape of multi-academy trusts; and,
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At The Bath Studio School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values as per our trust aims. Our Academy is a small community in which students, staff and parents/carers work productively together to achieve the very best outcomes for each child.

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan which is available from the School. Improvement focuses identified for this year include:

- Major focus on assessment for learning: effective feedback and strong, purposeful responses from learners to ensure progress in learning is sustained;
- Implementing enhanced procedures for self evaluation and make this open to all key stakeholders by producing a new online stakeholder portal for sharing information;
- Raising Achievement by focussing on literacy and numeracy as key catalysts for accessing the curriculum and underpinning progress across the whole curriculum;
- Implementing a revised safeguarding policy and procedures which includes 'Prevent' measures to tackle radicalisation;
- Major focus on improving leadership and governance with higher levels of challenge and support evidenced to monitor, evaluate and influence the school's strategic direction; and,

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- To ensure employability opportunities for our sixth form students are high quality and influence educational outcomes in a positive manner.

During the year the Academy undertook the following work:

- Minor refurbishment of our Business centre and support and guidance hub.

Sir Bernard Lovell Academy

Objectives, Strategies and Activities

Following conversion to academy status and joining the Wellsway Multi-Academy Trust, the Academy carried out many actions in 2015 to ensure standards and expectations were sufficiently high for the start of the 2015-16 academic year. These included:

- New principal in post from April 2015;
- Re-modelling of the leadership and staffing structure;
- New academy logo and branding agreed;
- New, smarter academy uniform introduced;
- House system introduced to promote belonging throughout the Academy;
- New schedule of the school day introduced, increasing the role of the tutor in students' personal development;
- Designing and implementing a new curriculum;
- Developing and implementing a new behaviour policy and associated systems;
- Three-year plan designed and implemented for the continuing professional development of teachers; and,
- Increased rigour introduced to the appraisal process.

Sir Bernard Lovell Academy is committed to enabling its students and young people across the Wellsway Multi-Academy Trust to achieve the highest standards they can in their academic progress and their personal development.

In order to achieve this, the Academy has identified the following priorities:

1. Raise the quality of teaching to a standard that is consistently good and frequently outstanding;
2. Raise standards of attainment and progress for all students, narrowing and then eliminating the gaps in progress, attainment and attendance between groups of students;
3. Raise the standards of behaviour so that students' attitudes to the community and to learning have a strong, positive impact on their progress;
4. Improve outcomes for post-16 students; and,
5. Create an academy community characterised by a shared sense of belonging, pride and an open culture that actively promotes all aspects of student and staff welfare and prepares our students for the next stage of their education or training.

A recent review by the Department for Education praised the effectiveness of the academy leadership team and that of the Wellsway Multi-Academy Trust in securing rapid improvement at Sir Bernard Lovell Academy.

During the year the Academy undertook the following work:

- Installing automated gates to the school car park;
- Completing the secure fencing around the rear of the school;
- Redecoration of the whole interior of the school;
- Installing two new cycle storage facilities, in partnership with South Gloucestershire Council, to increase cycle storage for students during the school day and for community sports use outside the school day; and,
- Replacing the school signs with new branded signs and erecting new signs around the school's playing fields on the High Street site.

Wellsway School

Objects and Aims

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils;
- To provide a broad and balanced curriculum, including extra curricular activities;
- To develop students as more effective learners;
- To develop the Academy site so that it enables students to achieve their full potential;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To maximise the number of students who achieve 5 A* - C GCSE grades including English and Maths;
- To provide value for money for the funds expended;
- To develop greater coherence, clarity and effectiveness in school systems;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with industry and commerce;
- To develop the Academy's capacity to manage change; and,
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Wellsway School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which students, staff and parents/carers should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the year were contained in our School Development Plan which is available from the School Office. Improvement focuses identified for this year include:

1. Review the SLT structure and strategic responsibility for Teaching & Learning and leadership of core areas;
2. Revise the lesson observation programme to provide real time information about the quality of Teaching and Learning linked to the new Appraisal Policy and Teaching Standards;
3. Introduce Learning Coaches;
4. Evaluate the school day and review the pattern and length of lessons;
5. Continue to embed our Teaching & Learning Policy and take account of current best practice, nationally and internationally;
6. Review the Key Stage 3 Curriculum to improve transition and provide a stronger, more personalised, preparation for Key Stage 4;
7. Introduce a whole school approach to the cross-curricular dimensions of Literacy, Numeracy, Oracy and SMSC;
8. Increase the amount of curriculum development time; and,
9. Strengthen the whole school enrichment programme and provide support for Improving curriculum enrichment.

During the year the Academy undertook the following work:

- Replacement of windows in the Lansdown Building;
- Refurbishment of a quad area used for outdoor recreation and dining; and,
- Refurbishment of roof and canopy areas across the site.

Public Benefit

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 Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

Aspire Academy

The Academy is in its 2nd year of operation. The Key Stage 4 results are as follows:

GCSE Results	Actual results			Expected results		
	English	Maths	Science	English	Maths	Science
Student A	D	F	F	C	C	C
Student B	D	F	E	E	E	E
Student C	D	C	E	D	D	E

The year 11 cohort for this year only consisted of three pupils. The Academy is due to be inspected in the academic year 2015/16.

Bath Studio School

Year 12 Level 2 Results (All resits)

Year 12	Target A* - G %	Actual A* - G %	Actual A* - C %	Actual grades
English IGCSE	100	100	60	8 x C, 2 x D, 2 x E
Maths IGCSE	100	90	7	1 x C, 2 x D, 7 x E 2 x F, 1 x G, 1 x U

Year 12 Level 3 AS Results

Subjects	Target A - E %	Actual A - E %	Actual grades
Graphics	100	60	1 x C, D, E 2 x U
English Literature	100	100	3 x D, 1 x E
Photography	100	100	1 x A, 2 x B, 7 x C 4 x D

The Academy is due to be inspected in academic year 2016/17.

Sir Bernard Lovell Academy

The predecessor school (The Sir Bernard Lovell School) was placed into special measures in February 2014. This has had a negative impact upon student numbers. The number of students at the Academy dropped in September 2015 to 1,087. The Academy is below its Planned Admission Number (PAN) in all year groups.

Year 11

- In 2015 49% of Year 11 students achieved 5+A*-C GCSEs including English and maths;
- 57% of students achieved A*-C in English and Maths. This is a significant improvement upon 2014 results;
- Progress in English Language is above national figures but progress in maths is below the national average;
- Outcomes for disadvantaged students were above national standards and the gap in outcomes was better than nationally; and,

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- Outcomes for SEND students improved but were below national standards.

Post-16

- Year 13 outcomes were significantly improved to almost value-neutral;
- The progress of Year 13 students is in line with the national average across all subject areas; and,
- Attainment at year 12 (AS) is slightly improved from 2014 in terms of average points per student and average points per entry.

Wellsway School

The Academy is in its fourth year of operation. The total number of students in the year ended 31 August 2015 was 1,348.

Key Stage 4 Results were as follows:

- 5+ A* C including English and Maths: 82% (2014: 76%);
- 5+ A* C any: 88% (2014: 83%).

Key Stage 5 Results in 2015 were as follows:

- Academic APS Per Pupil FTE: 937.49
- Academic APS Per Entry: 228.26
- A* - B: 61%
- A* - C: 85%

To ensure that standards are continually assessed, the Academy operates a programme of self-evaluation which is undertaken by Curriculum Team Leaders and the School Leadership Team.

The Academy was inspected by OFSTED in 2014 and was judged to be 'Good'.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, in particular the management of spending against General Annual Grant (GAG). In the period under review, £519,147 was carried forward representing 3% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2015 for Key Stage 3 and 4 were 2,139 compared to 1,066 in 2014.

Another key financial performance indicator is staffing costs as a percentage of total incoming resources (excluding fixed assets and funds transferred on conversion). For 2015 this was 72.0% compared to 69.3% in 2014.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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 Going concern policy.

FINANCIAL REVIEW

Financial Review

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

**WELLSWAY MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2015, total expenditure of £14,001,195 was covered by recurrent grant funding from the DfE, together with other incoming resources of £35,117,059, including income of £19,953,646 arising on the transfer of the Sir Bernard Lovell School assets and liabilities into the Trust. The excess of expenditure over income for the year (excluding restricted fixed asset funds and pension liabilities transferred on conversion) was £262,390.

At 31 August 2015 the net book value of fixed assets was £42,283,237 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 26 to the financial statements.

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

2014/15 has been a period of intensive growth for the Trust, with the new studio school in Bath opening in September 2014, the sponsorship of Sir Bernard Lovell and the construction of the new Isambard Kingdom Brunel studio school on the Wellsway School site. The Trust was also planning for a first primary school to join, in accordance with its stated aims and objectives. All these activities have placed significant additional demand on funds and the Trust recognises the need to maintain a healthy cash position to mitigate against unanticipated costs during this intensive period of change and growth.

The Trust has identified the following reserves categories which form the basis of the designation of the Trust's unrestricted reserves:

Central Trust reserves – in order for the Trust to fulfil its obligations to existing academies as well as plan for future growth; this would represent not more than 0.5% of grant income.

General buildings funds – to allow the Trust to maintain facilities over the lifetime of its assets; this would represent not more than 1% of grant income.

Sinking funds for specific names facilities – to be able to replace facilities that have a limited useful life, for example artificial sports pitches.

Restricted revenue reserves – to provide for any exceptional expenditure in a budget year; this would represent not more than 1% of the prior year's grant income

ICT refresh and other capital requirements – at each academy's discretion

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Trust.

The Trust's current level of free reserves (unrestricted funds plus general annual grant fund, less designated funds) of £1,225,670 provides cover for approximately 1 month of expenditure, based upon restricted and unrestricted expenditure during the year.

Investment Policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

Financial - the Trust has considerable reliance on continued Government funding through the EFA. In the last 2 years over 95% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed. This risk is accentuated by the sponsorship of a school in special measures, Sir Bernard Lovell, which formally joined the Trust in April 2015.

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.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. In future the Trust intends to pursue every possibility of joint training, development and recruitment between its schools to fully utilise the Trust's resources.

Fraud and mismanagement of funds - The Trust has appointed an internal auditor (Bath and North East Somerset Council) to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually. A separate Audit and Risk Committee has been established to add a level of scrutiny and monitoring.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the principal school within the Trust, Wellsway, is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Following the opening of the Isambard Kingdom Brunel Studio School and welcoming its first primary St John's CE in September 2015, the Trust now comprises 6 academies. The Trustees will carefully consider further opportunities for growth where this is in line with its stated aims and objectives and where it can be demonstrated that it has built sufficient capacity to fully support further schools.

A new trading subsidiary WMAT Trading Ltd (9720816) was incorporated on 1 September 2015 as a wholly owned subsidiary of the Trust. This company was set up to initially accommodate the activities of SBL Sports and will in future incorporate more of the Trust's commercial and lettings arrangements.

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.

TRUSTEES INDEMNITIES

There were no third party indemnity provisions during the year or at the date of approval of the Trustees' report.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 11/12/15 and signed on the board's behalf by:



S Robbins
Vice Chair of Trustees

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Arlidge	7	7
I Arnold	4	4
M Atkinson	2	4
S Bradfield	5	7
A Inker	6	7
M Morley	7	7
K Reynolds, Chair	3	4
S Robbins, Vice Chair	2	2
C Ryan	7	7
N Simpson	5	7
C Trout	3	4
A Williams	3	7
C Whitfield	4	6

Resignations during the period:

Irene Arnold (Former Chair of Trustees)	28th February 2015
Matthew Atkinson	6th February 2015
Stuart Bradfield	15th May 2015
Christine Whitfield	15th May 2015

Appointments during the period:

Kate Reynolds	12th December 2014
Susan Robbins	1st July 2015

The Trust has undertaken two activities during the period designed to assess the effectiveness of the Board of Trustees and its sub-committees.

Skills Audit – in February 2015 the Trust appointed Award Management Consulting to undertake a full skills assessment of the Trustees and local governors. The assessment concluded that all skills, knowledge and experience deemed to be 'essential' was contained within the current group of Trustees. The assessment also highlighted where the Trust Board's sub-committees lacked a particular skill or knowledge base and as a result, the Remuneration and Selection Committee placed new members into each sub-committee.

Visioning and Review Day – this took place on 8 September 2015 as a review for the past academic year. The Trustees undertook a self-review in terms of progress of the Trust over the past year, strengths, challenges and areas for development, clarity on the part of Trustees regarding vision and purpose, role of local governors. The outcomes were a set of key areas for discussion at Board meetings this year.

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

It is intended that another skills audit will take place early in 2016.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees.

The committee's core functions cover all financial services and other resources including human resources and facilities. It has a critical role in overseeing budget formulation, monitoring, and treasury management. Its financial functions extend into value for money and procurement. It also covers all matters relating to human resources including staff related performance management/review, disciplinary, under-performance and capability issues, continuing professional development, attendance, welfare and quality of work-life. It also has a wider brief covering asset management, facilities management, lettings, information technology, and health and safety.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
A Arlidge	2	2
I Arnold	2	2
S Bradfield, Chair	4	4
N Simpson	3	4
C Trout	3	3

The Audit Committee is also a sub-committee of the main Board of Trustees.

This committee has a number of core functions that include internal controls, external and internal audit, fraud, and risk management. The committee also receives and considers in detail the statutory accounts for the Trust and recommends them to the Board of Trustees for approval prior to presentation to Trust Members at the AGM. It also recommends the appointment of the external auditors to the Board of Trustees for subsequent approval by the Trust Members at the AGM.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
A Inker	0	3
M Morley	3	3
A Williams	2	3

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Organisation Structure - during the year 2014/15 the Trust has put in place a Trust-wide IT support structure, to replace the school / site specific teams that were previously in place. The advantages of this are threefold. Firstly, the Trust has been able to assemble an IT management team comprising an IT manager and two 'System Administrators' and thus put at the schools' disposal a level of expertise far greater than schools would be able to on an individual basis. Secondly, the IT support team now comprises 11 individuals, all of whom are capable of providing support at any school within the Trust, thereby ensuring all schools have timely access to the appropriate level of support. Thirdly, this team has been assembled at approximately the same cost of the previous structure but is supporting, from 1st September 2015, the new two schools in the Trust at no additional cost.

GOVERNANCE STATEMENT (continued)

- Finance Policy - during the year a new Trust finance policy was established. With the Trust expanding from 3 to 4 schools during the course of the year and a further 2 joining on 1st September 2015, the Trustees decided that the existing policy, which was based on the previous Wellsway School policy, was no longer adequate. The new policy has reviewed procurement rules across the Trust to ensure that best value for money is achieved in every transaction. For example, where a situation exists that a single supplier is used for multiple smaller purchases totalling more than £60,000 across the Trust, the arrangement must be scrutinised by the Business Director. Using a centralised finance and accounting system (PSF) allows the Trust Finance Manager to monitor spend by supplier, across all schools. The policy also includes detailed purchasing authority levels which are specific to each school within the Trust, according to that school's budget and financial position.
- Trust Appointments - The Trust has appointed 3 key individuals to provide school to school support:
 - CPD Manager
 - Director of English
 - Director of Maths

These posts give the trust a level of expertise over and above that available in the individual academies and enable individual schools to make considerable savings as they do not need to bring in external consultants to provide this support.

The Trust has also appointed a team of Leading Teachers who work as coaches across the academies in the Trust. These individuals carry out this work alongside their existing teaching posts and are very cost effective when compared with the costs of procuring external support. The posts also provide an additional opportunity for good and outstanding teachers to develop their own expertise.

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 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 Wellsway Multi Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

- delegation of authority and segregation of duties; and,
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bath and North East Somerset Council Risk Management Team, to conduct internal assurance (IA) work.

The role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Following each audit visit, the IA reports are presented to the Audit and Risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Specific areas of control examined during the period were:

- Sport Wellsway income;
- Independent certification of invoices prior to payment;
- Purchasing practices including proper use of purchase orders and authority levels; and,
- Credit card control and reconciliation.

The IA function has been fully delivered in line with the DfE's requirements. No material control issues arising as a result of the IA function have been identified.

REVIEW OF EFFECTIVENESS

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

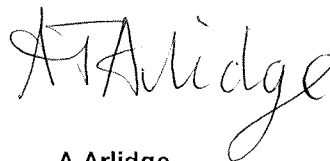
- the work of internal assurance;
- the work of the external auditors;
- the financial management and governance self-assessment process; and,
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 11/12/15 and signed on its behalf, by:



S Robbins
Vice Chair of Trustees



A Arlidge
Accounting Officer

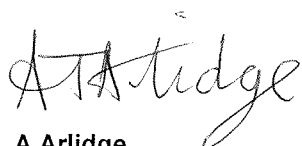
WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



A Arlidge
Accounting Officer

Date: 11/12/15

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

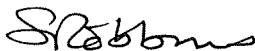
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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



S Robbins
Vice Chair of Trustees

Date: 11/12/15

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WELLSWAY MULTI ACADEMY TRUST

We have audited the financial statements of Wellsway Multi Academy Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WELLSWAY MULTI ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

16/12/15

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WELLSWAY
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wellsway Multi Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF WELLSWAY MULTI ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Wellsway Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 September 2011, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WELLSWAY
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

CONCLUSION

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



Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date:

16/12/15

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transferred on conversion	2	708,337	(1,586,652)	20,831,961	19,953,646	1,050,166
Other voluntary income	2	46,314	4,845	-	51,159	31,419
Activities for generating funds	3,4	159,257	6,356	-	165,613	33,727
Investment income	5	14,235	-	-	14,235	13,035
Incoming resources from charitable activities		482,583	12,045,054	2,404,769	14,932,406	9,405,936
TOTAL INCOMING RESOURCES		1,410,726	10,469,603	23,236,730	35,117,059	10,534,283
RESOURCES EXPENDED						
Costs of generating funds	4	26,339	-	-	26,339	-
Charitable activities	8,9	901,797	12,247,363	797,634	13,946,794	7,934,612
Governance costs	10	-	28,062	-	28,062	14,656
TOTAL RESOURCES EXPENDED	7	928,136	12,275,425	797,634	14,001,195	7,949,268
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
		482,590	(1,805,822)	22,439,096	21,115,864	2,585,015
Transfers between Funds	19	-	(16,975)	16,975	-	-
NET INCOME FOR THE YEAR		482,590	(1,822,797)	22,456,071	21,115,864	2,585,015
Actuarial gains and losses on defined benefit pension schemes		-	40,000	-	40,000	(78,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		482,590	(1,782,797)	22,456,071	21,155,864	2,507,015
Total funds at 1 September		562,933	(507,765)	19,827,166	19,882,334	17,375,319
TOTAL FUNDS AT 31 AUGUST		1,045,523	(2,290,562)	42,283,237	41,038,198	19,882,334

All of the Academy's activities derive from continuing operations.

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

The notes on pages 28 to 52 form part of these financial statements.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07746787

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	16		42,307,960		19,827,165
CURRENT ASSETS					
Debtors	17	1,157,209		764,560	
Cash at bank and in hand		3,157,459		1,635,685	
			<u>4,314,668</u>	<u>2,400,245</u>	
CREDITORS: amounts falling due within one year	18	(2,108,430)		(561,076)	
NET CURRENT ASSETS			<u>2,206,238</u>		1,839,169
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>44,514,198</u>		21,666,334
Defined benefit pension scheme liability	26		(3,476,000)		(1,784,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>41,038,198</u>		<u>19,882,334</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	19	1,185,438		1,276,235	
Fixed asset funds	19	42,283,237		19,827,166	
Restricted funds excluding pension liability		43,468,675		21,103,401	
Pension reserve		(3,476,000)		(1,784,000)	
Total restricted funds			<u>39,992,675</u>		19,319,401
Unrestricted funds	19		<u>1,045,523</u>		<u>562,933</u>
TOTAL FUNDS			<u>41,038,198</u>		<u>19,882,334</u>

The financial statements were approved by the Trustees, and authorised for issue, on 11/12/15 and are signed on their behalf, by:



S Robbins
Vice Chair of Trustees

The notes on pages 28 to 52 form part of these financial statements.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	21	723,783	37,141
Returns on investments and servicing of finance	22	14,235	13,035
Capital expenditure and financial investment	22	93,353	(139,109)
Cash transferred on conversion to the academy	24	690,403	378,746
INCREASE IN CASH IN THE YEAR		1,521,774	289,813

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	1,521,774	289,813
MOVEMENT IN NET FUNDS IN THE YEAR	1,521,774	289,813
Net funds at 1 September 2014	1,635,685	1,345,872
NET FUNDS AT 31 AUGUST 2015	3,157,459	1,635,685

The notes on pages 28 to 52 form part of these financial statements.

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

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements, and have concluded that it is appropriate to prepare accounts on a going concern basis for the year ended 31 August 2015.

1.3 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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 and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

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

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

1. ACCOUNTING POLICIES (continued)

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

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

1.5 RESOURCES EXPENDED

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

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

Charitable activities are costs incurred in the Academy's educational operations.

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

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	-	125 years straight line
Long term leasehold property	-	50 years straight line
Plant and machinery	-	10 years straight line
Computer equipment	-	3 years straight line

1.7 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

1.8 TAXATION

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

1.9 PENSIONS

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme (SERPS), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in 4 separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.10 CONVERSION TO AN ACADEMY TRUST

Sir Bernard Lovell School converted from a state maintained school to an academy on 1 April 2015 and joined the Wellsway Multi Academy Trust on the same date. This involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion to an academy have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Wellsway Multi Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Land and buildings have been included at a proportion of insurance value as a best estimate of depreciated replacement cost. Other fixed assets have been included at depreciated replacement cost.

Pension assets and liabilities have been valued by Mercer Limited.

Further details of the transaction are set out in note 24.

1.11 CONSOLIDATION

In preparing the financial statements the Academy has taken the exemption under FRS 2 and has not consolidated the results of the trading subsidiary Sport Wellsway Community Interest Company on the basis that these are immaterial to the group. Further information on the trading subsidiary can be found in note 28.

1.12 AGENCY ARRANGEMENT

The Academy acts as an agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA are excluded from the Statement of Financial Activities, along with any subsequent disbursements to students, as the Academy does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in note 31.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transferred on Conversion (note 24)	708,337	19,245,309	19,953,646	1,050,166
Donations	46,314	4,845	51,159	31,419
Voluntary income	754,651	19,250,154	20,004,805	1,081,585

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	23,637	-	23,637	21,109
Sir Bernard Lovell Sports Centre	71,629	-	71,629	-
Consultancy	60,501	-	60,501	12,618
Other	3,490	6,356	9,846	-
	<u>159,257</u>	<u>6,356</u>	<u>165,613</u>	<u>33,727</u>

4. COSTS OF GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
COSTS OF GENERATING FUNDS				
Lettings expenses	2,635	-	2,635	-
Sir Bernard Lovell Sports Centre	22,726	-	22,726	-
Consultancy expenses	978	-	978	-
	<u>26,339</u>	<u>-</u>	<u>26,339</u>	<u>-</u>
Net expenditure from costs of generating funds	<u>(26,339)</u>	<u>-</u>	<u>(26,339)</u>	<u>-</u>

5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Interest	<u>14,235</u>	<u>-</u>	<u>14,235</u>	<u>13,035</u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	2,404,769	2,404,769	1,506,609
General Annual Grant	-	9,218,298	9,218,298	6,043,073
Start up Grant	-	426,519	426,519	25,000
School Improvement Grant	-	101,861	101,861	45,000
Devolved Formula Capital	-	53,504	53,504	31,051
Pupil Premium	-	258,432	258,432	158,541
Other EFA Grants	-	10,532	10,532	157,140
	-	12,473,915	12,473,915	7,966,414
Other Government grants				
High Needs	-	579,351	579,351	202,473
Other government grants	-	35,693	35,693	131,958
Aspire Academy local authority funding	-	1,186,000	1,186,000	494,167
School Sports Partnership	-	107,179	107,179	155,758
	-	1,908,223	1,908,223	984,356
Other funding				
Staff recharge income	63,318	-	63,318	63,531
School trip income	292,349	-	292,349	242,749
Other income	126,916	67,685	194,601	148,886
	482,583	67,685	550,268	455,166
	482,583	14,449,823	14,932,406	9,405,936

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

7. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other	Total	Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Costs of generating funds	-	-	26,339	26,339	-
COSTS OF GENERATING FUNDS	-	-	26,339	26,339	-
Direct costs	7,875,263	650,830	1,302,320	9,828,413	5,746,350
Support costs	1,722,404	811,402	1,584,575	4,118,381	2,188,262
CHARITABLE ACTIVITIES	9,597,667	1,462,232	2,886,895	13,946,794	7,934,612
GOVERNANCE	-	-	28,062	28,062	14,656
	9,597,667	1,462,232	2,941,296	14,001,195	7,949,268

8. DIRECT COSTS

	Total	Total
	2015	2014
	£	£
Pension finance costs	67,000	45,000
Educational supplies	730,717	469,619
Examination fees	194,462	137,671
Staff development	9,234	4,675
Other costs	54,530	53,408
Supply teachers	99,574	28,626
Wages and salaries	6,514,701	3,788,714
National insurance	493,578	305,997
Pension cost	866,984	520,362
Depreciation	797,633	392,278
	9,828,413	5,746,350

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

9. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Staff development	22,568	26,036
Other costs	128,359	39,137
Supply support staff	79,332	-
Recruitment and support	174,301	120,998
Maintenance of premises and equipment	202,044	125,838
Cleaning	221,077	58,151
Rent and rates	136,400	48,552
Energy costs	170,303	132,629
Insurance	129,469	82,811
Security and transport	171,009	46,046
Catering	63,875	41,461
Technology costs	129,369	72,387
Office overheads	210,343	66,925
Legal and professional	214,410	83,550
Bank interest and charges	1,041	3,390
Other staff costs	67,916	61,486
Educational trips expenditure	274,161	231,583
Wages and salaries	1,402,637	777,806
National insurance	74,201	36,845
Pension cost	245,566	132,631
	<u>4,118,381</u>	<u>2,188,262</u>

10. GOVERNANCE COSTS

	Total 2015 £	Total 2014 £
Auditors' remuneration	21,500	12,650
Auditors' non audit costs	5,780	1,250
Internal assurance costs	750	750
Trustees expenses reimbursed	32	6
	<u>28,062</u>	<u>14,656</u>

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	797,633	392,278
Auditors' remuneration	21,500	12,650
Auditors' remuneration - non-audit	5,780	1,250
Operating lease costs	227,329	119,084
	<u>797,633</u>	<u>392,278</u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

12. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	7,492,207	4,525,943
National Insurance	567,779	342,842
Pension costs (Note 26)	1,112,550	652,993
	<u>9,172,536</u>	<u>5,521,778</u>
Staff restructuring costs	246,225	11,952
Supply teacher costs	178,906	28,626
	<u>9,597,667</u>	<u>5,562,356</u>

b. Staff severance payments

Included in staff restructuring costs are non-contractual payments to Avon Pension Fund on behalf of 3 staff members for early retirement costs totalling £24,543.

c. Staff numbers

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

	2015 No.	2014 No.
Teachers	169	86
Admin and support	112	63
Management	8	9
	<u>289</u>	<u>158</u>

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	6	3
In the band £70,001 - £80,000	2	0
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	0
	<u>10</u>	<u>5</u>

The pension contributions for the above employees totalled £107,164 (2014: £30,340)

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

13. TRUSTEES

During the year retirement benefits were accruing to 1 Trustee (2014: 1) in respect of defined benefit pension schemes.

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees. The value of Trustees' remuneration and pension contributions in respect of defined benefit schemes in the year was as follows; A Arlidge £125,000-£130,000 (2014: £105,000-£110,000) and pension contributions of £15,000-£20,000 (2014: £10,000-£15,000).

During the year ended 31 August 2015, expenses totalling £32 (2014: £6) were reimbursed to 1 Trustee (2014: 1).

14. CENTRAL SERVICES

The Trust has provided the following central services to its academies during the year:

- school improvement
- education support services
- human resources
- financial services
- estates management
- other services as arising

The Trust recharges these costs to each Academy on a time-apportioned basis.

The actual amounts charged during the year were as follows:

	2015 £
Wellsway School	310,999
Aspire Academy	103,085
The Bath Studio School	32,627
Sir Bernard Lovell Academy (from 1 April 2015)	94,167
Total	<u>540,878</u>

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £7,004 (2014: £4,982). The cost of this insurance is included in the total insurance cost.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

16. TANGIBLE FIXED ASSETS

	Long Term Leasehold Property and Land £	Furniture, fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2014	20,074,024	329,961	379,896	20,783,881
Additions	2,061,710	76,270	308,487	2,446,467
Transfer on conversion	20,754,500	77,461	-	20,831,961
	<u>42,890,234</u>	<u>483,692</u>	<u>688,383</u>	<u>44,062,309</u>
DEPRECIATION				
At 1 September 2014	812,518	70,198	74,000	956,716
Charge for the year	557,705	43,851	196,077	797,633
	<u>1,370,223</u>	<u>114,049</u>	<u>270,077</u>	<u>1,754,349</u>
NET BOOK VALUE				
At 31 August 2015	<u>41,520,011</u>	<u>369,643</u>	<u>418,306</u>	<u>42,307,960</u>
At 31 August 2014	<u>19,261,506</u>	<u>259,763</u>	<u>305,896</u>	<u>19,827,165</u>

On 1 April 2015 the Local Authority donated assets on the conversion of the Sir Bernard Lovell School to the Academy. Buildings and land have been brought in at a proportion of insurance valuation as the trustees best estimate of depreciated replacement cost. Furniture, fixtures and fittings have been brought in at depreciated replacement cost.

Included in Long Term Leasehold Property and Land is £1,259,807 of assets under construction relating to the new Isambard Kingdom Brunel Studio School build.

17. DEBTORS

	2015 £	2014 £
Trade debtors	54,673	71,974
Amounts owed by group undertakings	43,292	95,505
VAT recoverable	360,574	360,743
Other debtors	40,057	46,408
Prepayments and accrued income	658,613	189,930
	<u>1,157,209</u>	<u>764,560</u>

See note 28 for details of amounts owed by group undertakings.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	662,768	97,354
Other taxation and social security	225,110	89,597
Other creditors	573,039	28,036
Accruals and deferred income	647,513	346,089
	<u>2,108,430</u>	<u>561,076</u>

DEFERRED INCOME

Deferred income at 1 September 2014	126,600
Resources deferred during the year	136,411
Amounts released from previous years	<u>(126,600)</u>
Deferred income at 31 August 2015	<u>136,411</u>

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	<u>562,933</u>	<u>1,410,726</u>	<u>(928,136)</u>	<u>-</u>	<u>-</u>	<u>1,045,523</u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG) School Improvement Grant	827,550	9,218,298	(9,526,701)	-	-	519,147
High needs funding	14,800	11,861	(26,661)	-	-	-
Pupil premium	-	579,351	(579,351)	-	-	-
Start up grant	20,763	258,432	(279,195)	-	-	-
Devolved formula capital	-	426,519	(334,917)	-	-	91,602
School Sports Partnership	-	76,542	-	(16,975)	-	59,567
Funds donated from Local Authority (LA) Aspire Local Authority Funding	152,251	-	-	-	-	152,251
Other LA Income	260,871	-	-	-	-	260,871
Other DfE/EFA income	-	1,186,000	(1,186,000)	-	-	-
Other restricted income	-	142,872	(130,872)	-	-	12,000
Pension reserve	-	100,532	(10,532)	-	-	90,000
	-	80,196	(80,196)	-	-	-
	(1,784,000)	(1,611,000)	(121,000)	-	40,000	(3,476,000)
	<u>(507,765)</u>	<u>10,469,603</u>	<u>(12,275,425)</u>	<u>(16,975)</u>	<u>40,000</u>	<u>(2,290,562)</u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	15,541,677	20,831,961	(458,793)	-	-	35,914,845
Fixed assets purchased from GAG and other restricted funds	368,601	-	(70,210)	-	-	298,391
DfE/EFA Capital grants	1,561,939	2,404,769	(209,345)	16,975	-	3,774,338
Capital Sponsors grants	43,134	-	(6,397)	-	-	36,737
Disabled Ramp	23,682	-	(2,631)	-	-	21,051
Bike Shed Grant	14,794	-	(1,644)	-	-	13,150
Sports Hall Grant	16,563	-	(1,840)	-	-	14,723
Sports Centre Donated by LA	2,256,776	-	(46,774)	-	-	2,210,002
	<u>19,827,166</u>	<u>23,236,730</u>	<u>(797,634)</u>	<u>16,975</u>	<u>-</u>	<u>42,283,237</u>
Total restricted funds	<u>19,319,401</u>	<u>33,706,333</u>	<u>(13,073,059)</u>	<u>-</u>	<u>40,000</u>	<u>39,992,675</u>
Total of funds	<u><u>19,882,334</u></u>	<u><u>35,117,059</u></u>	<u><u>(14,001,195)</u></u>	<u><u>-</u></u>	<u><u>40,000</u></u>	<u><u>41,038,198</u></u>

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

UNRESTRICTED FUNDS

Within unrestricted funds is £150,000 designated for the future replacement of the all weather sport pitches at Wellsway School and Sir Bernard Lovell School. An additional £189,000 is designated for use in providing future collaborative post-16 education services. No additional amounts have been designated during the year.

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the EFA during the period in order to fund the continuing activities of the school.

The School Improvement Grant was received from the EFA to support the Trust in improving the school.

High needs funding and Pupil Premium funding is received from the EFA and Local Authority to cater for students with learning difficulties and other disabilities.

The Start Up Grant was received from the EFA to be spent on start up activities at the Aspire Academy.

Devolved formula capital grants represent funding from the EFA to cover the maintenance and purchase of the school assets.

**WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (continued)

The School Sports Partnership is an initiative to coordinate sporting activities within local schools. The reserve is being maintained to cover potential future costs.

The funds donated from the Local Authority represent Wellsway School's capital fund surplus on conversion to an Academy. These funds are to be spent on the maintenance and purchase of Wellsway School assets.

Aspire Local Authority Funding relates to additional amounts received from Bath and North East Somerset Council in relation to a SEN & AP Support Contract.

Other Local Authority Income includes other various amounts received from local authorities in the South West of England.

Other EFA Income is additional income received in Aspire Academy from the EFA to cater for students with learning difficulties and other disabilities.

Other restricted income represents various small restricted funds received.

The pension fund represents the Local Government Pension Scheme deficit.

FIXED ASSET FUNDS

The opening balances within fixed assets transferred on conversion represent Wellsway School, Aspire Academy and Bath Studio School. These are the buildings and equipment donated to the Trust from Bath and North East Somerset Council and The Bath Studio School Limited on conversion to an Academy in prior years, net of depreciation since the respective dates of conversion.

Incoming resources on conversion during the year relate to the building and equipment donated to the Trust from South Gloucestershire Council on the conversion of Sir Bernard Lovell School to an academy on 1 April 2015 (note 24).

Fixed assets purchased from GAG represents amounts spent on fixed assets from the GAG funding received from the EFA.

Capital sponsors and donations include amounts received for use of capital items including £5,000 donated from Dyson.

EFA grants represent £498,897 grants received from the EFA for the completion of construction of Bath Studio School and the purchase of computer equipment at this Academy in September 2014; £596,044 of grants received from the EFA for window and roof replacements at Wellsway School. In addition, it also includes £1,309,828 grants received from the EFA for the construction of the Isambard Kingdom Brunel Studio School and IT equipment purchases for opening on 1 September 2015.

The Disabled Ramp fund represents the disabled ramp purchased in a prior year.

The Sports Hall Grant fund represents income received in a prior year for sports equipment.

The Sports Centre Donated by LA fund represents the Sports Wellsway buildings which was donated in a prior year.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Wellsway School	1,420,215
Aspire Academy	166,933
Bath Studio School	76,282
Sir Bernard Lovell Academy	344,069
Isambard Kingdom Brunel Studio School	97,602
Central Services	101,137
	<hr/>
Total before fixed asset fund and pension reserve	2,206,238
Restricted fixed asset fund	42,283,237
Pension reserve	(3,476,000)
	<hr/>
Total	<u>41,013,475</u>

The surplus in Central Services includes £90,000 of grants received from the EFA to facilitate future expansion of the Multi-Academy Trust.

ANALYSIS OF ACADEMIES BY COST

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 £
Wellsway School	4,507,472	937,142	204,554	1,067,175	6,716,343
Aspire Academy	1,059,266	255,978	272,805	376,611	1,964,660
Bath Studio School	357,835	67,245	51,084	422,507	898,671
Sir Bernard Lovell Academy	1,934,557	408,568	185,070	519,526	3,047,721
Isambard Kingdom Brunel Studio School	69,604	-	-	141,032	210,636
Central Services	-	-	-	451,763	451,763
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>7,928,734</u>	<u>1,668,933</u>	<u>713,513</u>	<u>2,978,614</u>	<u>13,289,794</u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	562,933	1,410,726	(928,136)	-	-	1,045,523
Restricted funds	(507,765)	10,469,603	(12,275,425)	(16,975)	40,000	(2,290,562)
Restricted fixed asset funds	19,827,166	23,236,730	(797,634)	16,975	-	42,283,237
	<u>19,882,334</u>	<u>35,117,059</u>	<u>(14,001,195)</u>	<u>-</u>	<u>40,000</u>	<u>41,038,198</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	42,307,960	42,307,960	19,827,166
Current assets	1,045,523	3,034,178	234,967	4,314,668	2,400,244
Creditors due within one year	-	(1,848,740)	(259,690)	(2,108,430)	(561,076)
Pension scheme liability	-	(3,476,000)	-	(3,476,000)	(1,784,000)
	<u>1,045,523</u>	<u>(2,290,562)</u>	<u>42,283,237</u>	<u>41,038,198</u>	<u>19,882,334</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	21,115,864	2,585,015
Returns on investments and servicing of finance	(14,235)	(13,035)
Net assets transferred on conversion	(19,262,588)	(671,420)
Cash transferred on conversion	(690,403)	(378,746)
Depreciation of tangible fixed assets	797,633	392,278
Capital grants	(2,429,492)	(1,506,609)
Increase in debtors	(403,235)	(441,243)
Decrease in amounts owed by group undertakings	52,213	-
Increase in creditors	1,518,026	148,901
Defined benefit pension scheme adjustments	40,000	(78,000)
NET CASH INFLOW FROM OPERATIONS	<u>723,783</u>	<u>37,141</u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	14,235	13,035
	<u>14,235</u>	<u>13,035</u>
	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(2,336,139)	(1,645,718)
Capital grants	2,429,492	1,506,609
	<u>(2,336,139)</u>	<u>(1,645,718)</u>
	<u>2,429,492</u>	<u>1,506,609</u>
NET CASH INFLOW/(OUTFLOW) FROM CAPITAL EXPENDITURE	<u>93,353</u>	<u>(139,109)</u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,635,685	1,521,774	-	3,157,459
NET FUNDS	<u>1,635,685</u>	<u>1,521,774</u>	<u>-</u>	<u>3,157,459</u>

24. CONVERSION TO AN ACADEMY TRUST

On 1 April 2015 the Sir Bernard Lovell School converted to academy status under the Academies Act 2010 and joined Wellsway Multi Academy Trust on the same date. All the operations, assets and liabilities were transferred from South Gloucestershire Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

24. CONVERSION TO AN ACADEMY TRUST (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	20,754,500	20,754,500
- Other tangible fixed assets	-	-	77,461	77,461
Other assets	708,337	23,693	-	732,030
LGPS pension surplus/(deficit)	-	(1,611,000)	-	(1,611,000)
Net assets/(liabilities)	<u>708,337</u>	<u>(1,587,307)</u>	<u>20,831,961</u>	<u>19,952,991</u>

Leasehold land and buildings and other tangible fixed assets have been valued by the Trustees at depreciated replacement cost. Other assets include £690,403 that was cash transferred on conversion.

25. CAPITAL COMMITMENTS

At 31 August 2015 the Academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>2,075,000</u>	<u>-</u>

Capital commitments represent the costs to complete construction of the new Isambard Kingdom Brunel Studio School expected in early 2016.

26. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by B&NES Council. Both are defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £761,083 (2014: £481,858).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

26. PENSION COMMITMENTS (continued)

multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £218,000, of which employer's contributions totalled £166,000 and employees' contributions totalled £52,000. The agreed contribution rates for future years are 13% - 14.4% for employers and 5.5% - 12.5% for employees.

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.50	1,781,000	7.00	601,000
Government Bonds	2.50	288,000	3.40	94,000
Other Bonds	3.60	362,000	4.40	117,000
Property	6.10	260,000	5.70	83,000
Cash	0.50	71,000	0.50	36,000
Other	6.50	442,000	7.00	160,000
Total market value of assets		<u>3,204,000</u>		<u>1,091,000</u>
Present value of scheme liabilities		<u>(6,680,000)</u>		<u>(2,875,000)</u>
Deficit in the scheme		<u><u>(3,476,000)</u></u>		<u><u>(1,784,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(6,680,000)	(2,875,000)
Fair value of scheme assets	<u>3,204,000</u>	<u>1,091,000</u>
Net liability	<u><u>(3,476,000)</u></u>	<u><u>(1,784,000)</u></u>

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

26. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2015	2014
	£	£
Current service cost	(395,000)	(169,000)
Interest on obligation	(170,000)	(104,000)
Expected return on scheme assets	103,000	59,000
Gains on curtailments and settlements	(30,000)	-
	<hr/>	<hr/>
Total	(492,000)	(214,000)
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of the defined benefit obligation were as follows:

	2015	2014
	£	£
Opening defined benefit obligation	2,875,000	1,922,000
Current service cost	395,000	169,000
Interest cost	170,000	104,000
Contributions by employees	108,000	52,000
Actuarial gains	(206,000)	(28,000)
Losses on curtailments	30,000	-
Benefits paid	136,000	(17,000)
Liability transferred on conversion	3,172,000	673,000
	<hr/>	<hr/>
Closing defined benefit obligation	6,680,000	2,875,000
	<hr/> <hr/>	<hr/> <hr/>

Movements in the fair value of the Academy's share of scheme assets:

	2015	2014
	£	£
Opening fair value of scheme assets	1,091,000	937,000
Expected return on assets	103,000	59,000
Actuarial gains and (losses)	(166,000)	(106,000)
Contributions by employer	371,000	166,000
Contributions by employees	108,000	52,000
Benefits paid	136,000	(17,000)
Asset transferred on conversion	1,561,000	-
	<hr/>	<hr/>
	3,204,000	1,091,000
	<hr/> <hr/>	<hr/> <hr/>

The cumulative amount of actuarial losses recognised in the Statement of total recognised gains and losses was £69,000 (2014: £109,000).

The Academy expects to contribute £489,000 to its Defined benefit pension scheme in 2016.

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

26. PENSION COMMITMENTS (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	55.60 %	55.09 %
Government bonds	9.00 %	8.62 %
Other bonds	11.30 %	10.72 %
Property	8.10 %	7.61 %
Cash	2.20 %	3.30 %
Other	13.80 %	14.66 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	5.28 %	5.66 %
Rate of increase in salaries	3.80 %	3.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.20 %

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

	2015	2014
Retiring today		
Males	23.4 years	23.3 years
Females	25.9 years	25.8 years
Retiring in 20 years		
Males	25.8 years	25.8 years
Females	28.8 years	28.7 years

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(6,680,000)	(2,875,000)	(1,922,000)	(1,670,000)
Scheme assets	3,204,000	1,091,000	937,000	666,000
Deficit	(3,476,000)	(1,784,000)	(985,000)	(1,004,000)
Experience adjustments on scheme liabilities	206,000	28,000	-	(135,000)
Experience adjustments on scheme assets	(166,000)	(106,000)	70,000	34,000

WELLSWAY MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

27. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
EXPIRY DATE:		
Within 1 year	62,584	10,343
Between 2 and 5 years	126,729	74,243
After more than 5 years	1,097	-
	<u>190,410</u>	<u>84,586</u>

28. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisation, it is likely that transactions will take place with organisations in which a member of the board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

No such transactions have occurred during the period.

Sport Wellsway Community Interest Company (company) is a wholly owned subsidiary of the Academy. The company is a company limited by guarantee and was incorporated on 14 November 2012 and commenced trading on 1 January 2013. For the current year to 31 August 2015 the company made a profit of £29,370 (2014: a loss of £30,895) and has a deficit on reserves of £60,327 (2014: £89,697 deficit).

During the prior year the Trust loaned the company a further £35,000 in addition to a previous £40,000. This standard and commercial loan had been made to enable the company to establish and then promote a fully functioning sport facility for the benefit of the local community. Of this loan £25,003 (2014: £53,129) was still outstanding at the year end. The loan is due for repayment in equal instalments over a 30 month period commencing in October 2013. The loan is unsecured and interest is charged at 5% per annum.

The company operates the sport centre under a licence issued by the Academy. During the year the Academy charged the company £26,253 (2014: £24,087) for this licence and other services provided. At the year end the company owed £18,289 (2014: £42,376) to the Academy in relation to these charges. The Academy students benefit from the well run sport facility.

The school is the asset locked body specified as the recipient of company's assets and profits.

29. POST BALANCE SHEET EVENTS

The Isambard Kingdom Brunel Studio School (IKB) opened on 1 September 2015 with a capacity of 300 students. The building for IKB is still under construction and is due to complete in February 2016.

St John's C of E Primary School in Keynsham also joined the Trust on 1 September 2015.

30. CONTROLLING PARTY

The company is under the joint control of the Trustees and there is no ultimate controlling party.

31. AGENCY ARRANGEMENT

The Academy distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ended 31 August 2015 the Academy received £8,184 from the EFA and disbursed £8,184 from the fund. No balance remains at the year end.