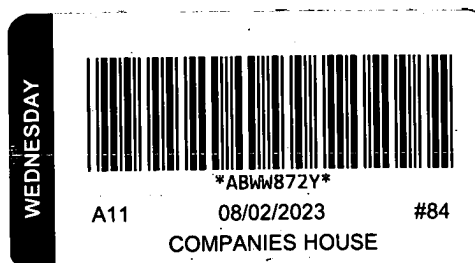


WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Aftab Chughtai Christine Quinn Darren Walsh Nargis Rashid Neelam Afzal (resigned 10 January 2022)
Trustees	Graham Parker, Chair of Trustees Clive Bailey ^{3,4} David Hawker ^{2,4} Frieza Mahmood (appointed 24 January 2022) ¹ Hetal Parmar ¹ Joan Low ^{3,4} James Keen (appointed 26 January 2022) ² Peter Freeth ^{1,3} Roland Charles Vernon (appointed 26 January 2022) ⁴ Samantha Smith (appointed 2 March 2022) ² Scott Kind (removed 17 October 2021) Emma Beswick (resigned 17 October 2021) ² Aftab Chughtai (resigned 31 December 2021) ^{1,2} ¹ Finance & Wellbeing ² Risk, Audit & Compliance ³ Pay & Progression ⁴ Education Standards
Company registered number	08531479
Company name	Washwood Heath Multi Academy Trust
Registered office	Burney Lane Stechford Birmingham B8 2AS
Trust schools	Washwood Heath Academy Saltley Academy Brownmead Primary Academy Gossey Lane Academy Tile Cross Academy Topcliffe Primary School Firs Primary School
Company secretary	Angela Sutheran
Chief Executive Officer	Peter Weir
Accounting Officer	Peter Weir

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

**Senior management
team**

Peter Weir, Chief Executive Officer
Delroy Bramwell, Director of Estates and Facilities
Michelle Gabriel, Director of People
James Wigley, Director of ICT and Communications
Dave Worledge, Director of Finance
Ashley Winters, Executive Lead for Primary
David Shakeshaft, Head of Academy, Firs Primary School
Sarah Hashemi, Head of Academy, Gossey Lane Academy
Peter White, Head of Academy, Saltley Academy
Victoria Crombie, Head of Academy, Topcliffe Primary School
Paul Marano, Head of Academy, Tile Cross Academy
Lynn Petrie, Head of Academy, Washwood Heath Academy
Wendy Carter, Acting Head of Academy, Brownmead Primary Academy
Angela Sutheran, Company Secretary

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Bankers

Lloyds Bank PLC
114-116 Colmore Row
Birmingham
B3 3BD

Solicitors

Browne Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates four primary academies, two secondary academies and one all through academy in the east of Birmingham. Its academies have a combined pupil capacity of 4,686 and had a roll of 4,666 in the school census on October 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust (was incorporated on 16 May 2013 and commenced operation activity when Washwood Heath School converted to an academy on 1 July 2013) 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 Academy Trust. The Trustees of Washwood Heath Multi Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Washwood Heath Multi Academy Trust.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

Trustees' Liability

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a Trustee.

Trustees' Indemnities

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 unlimited Governors Liability and unlimited Professional Negligence cover.

Method of recruitment and appointment or election of Trustees

The management of Washwood Heath Multi Academy Trust (here after referred to as the Trust) is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The members of the Trust are responsible for the appointment of up six Trustees and Trustees may appoint a further five Trustees. When appointing new Trustees, full consideration will be given to the skills and experience mix of existing Trustees in order to ensure that new appointees have the necessary qualities to contribute fully to the Trusts development.

Policies and Procedures adopted for the Induction and Training of Trustees

Although there isn't a formal policy and/or procedure for Trustee training, the approach adopted by the Trust is to tailor training to the individual based upon an assessment of their need their experience and specific requests of the individual. As a minimum, new Trustees will be given an induction pack outlining the aims and values of the Trust, governance arrangements, current organisational structures and roles and responsibilities.

Organisational Structure

The governance of the Trust is defined in the memorandum and articles of association together with the master and supplemental funding agreements with the Department for Education. All Trustees are members of the Board of Directors. In addition, Trustees may serve on one of the four sub-committees that report to the Board.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The four sub committees in place throughout the year ending 31 August 2022 were:

- Finance & Wellbeing Committee
- Risk, Audit & Compliance
- Pay & Progression
- Education Standards

A number of specified senior staff members sit on the sub committees, alongside trustees, but they do not have voting rights.

There are Academy Advisory Boards (AAB) which offer challenge and support to the Trust academies.

Board membership consists of up to 11 Trustees appointed by the members or Trustees. For meetings, the quorum is any one third (rounded up to a whole number) of the total number of Trustees holding office at the date of the meeting. Meetings are held at least six times a year.

AAB membership is 7-8 (and includes parental representation) and the chair of each AAB is appointed by the Board of Trustees. For meetings, the quorum shall be half of the AAB rounded down. Meetings are held at least three times each academic year.

Terms of Reference for the Board, sub-committees and AAB have been developed with independent expert advice to ensure governance arrangements are fit for purpose. These are reviewed periodically, and updates incorporated into the Trust's Financial Regulations Manual (FRM). The FRM defines financial delegated authorities within the Trust including delegations to the Chief Executive Officer (CEO) and other senior managers. The FRM was updated in April 2022 to reflect a revised Scheme of Financial Delegation.

The current Scheme of Financial Delegation is as follows:

Trust Board	£100,000 +
Finance Committee	Up to £100,000
Chief Executive Officer	Up to £50,000
Director of Finance	Up to £25,000
Heads of Academies/Strategic Directors	Up to £15,000

The current governance arrangements for the Trust, including changes to the organisational structure, were originally approved December 2014. The governance arrangements in place for the year ending 31 August 2022 were approved in October 2021.

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

A member of the Board of Trustees is involved in the appointment of Executives, Heads of Academy, all teaching staff on leadership scale (unless delegated to Academy Advisory Board members) and all support staff on Grade 6 or above. Pay is determined with reference to national agreements on pay and conditions for both teachers and support staff.

The review of performance and pay of the CEO and Head of Academies is delegated to the Pay and Progression Committee. Recommendations are referred back to the Board for their approval.

The review of performance and pay for members of each school Senior Leadership Team (SLT) is carried out by the Head of Academy. Results are moderated by the CEO.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Trade union facility time

There were no relevant union officials for the year ended 31 August 2022.

Related Parties and other Connected Charities and Organisations

The Trust's secondary academies belong to a partnership of schools that together form the East Birmingham Network (EBN). The network founded the EBN Academy, a free school, which aims to provide a second chance to those pupils for whom mainstream schooling has been challenging. Membership of the EBN provides a system of managed moves for our young people for whom alternative provision is more appropriate.

Engagement with employees (including disabled persons)

The Trust is very active in its engagement with all colleagues, throughout the organisation. Through its Professional Growth process the Trust seeks not only to monitor the performance of its employees, but more importantly, to engages all colleagues in their own learning journey. Through professional growth colleagues are granted the opportunity to improve in their roles as well as link their own performance to the overall objectives of the Trust. Professional growth conversations are held on a one-to-one basis between colleagues and their line managers and line managers are encouraged to continue this level of engagement, throughout the academic year.

Through its SharePoint sites the Trust shares information to all colleagues, including regular updates, which all leaders draw to colleagues' attention on a weekly basis. This includes updates on activity and outcomes across the organisation, key information; consultation on changes, including consultation on policies; advice (with a focus on well-being), learning and development opportunities; opportunities to be involved in activities and to express views. All colleagues receive updates via a 'Good News' publication, celebrating successes across the organisation.

The Trust conducts an annual staff survey to measure the engagement of all colleagues throughout the Trust. The results of this survey are provided to the leadership teams of each academy and directorate to ensure the Trust is able to respond to any concerns raised and ensure good practice identified is both shared and maintained.

Finally, the Trust is committed to equality, diversity and inclusion and processes are in place to ensure all barriers to employment, job satisfaction, training and opportunities are removed, including for those who are or who become disabled. Job applications are anonymised at the short-listing stage to reduce the risk of unconscious bias.

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

With a view to enhancing the educational provision available to children in the East of Birmingham, the Trust has continued to actively engage with other local schools and Birmingham City Council, throughout 2021-22. In addition to its involvement in the East Birmingham Network and its active engagement with Birmingham Education Partnership, the Trust has led on two Developing Local Partnership projects within the East of Birmingham. These projects have involved deploying over £68k in Local Authority funding to enhance both speech and language provision and the transition of students from primary to secondary education. These are initiatives the Trust intends to continue into the 2022-23 academic year.

The Trust actively seeks to identify reliable, value for money suppliers, with whom it can establish and maintain a mutually beneficial business relationship. Contracts with existing suppliers are reviewed to ensure they remain competitive and a good use of public funding. The Trust seeks to pay all of its suppliers promptly, for goods and services satisfactorily received. The Trust's payment performance statistics demonstrate the Trust's success and improved performance in this respect:

**WASHWOOD HEATH MULTI-ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

WHMAT Payment Statistics

	2021-22		2020-21	
Number of invoices paid in 30 days	6,920	84%	4,968	78%
Number of invoices paid in 31 to 60 days	909	11%	1,089	17%
Number of invoices paid in 61 days or more	401	5%	329	5%
Total:	8,230	100%	6,386	100%

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust's objective is to advance, for the public benefit, education for children aged 4 to 19 by establishing and maintaining schools which offer a broad and balanced curriculum. These aims are clearly articulated through the Trust's strategic plan which establishes both the Trust's mission, its vision and its values:

The Trust's mission is to provide our young people with the knowledge and skills to flourish in their academic and personal development.

Washwood Heath Multi Academy Trust's mission is for the young people at our academies to develop into contributing, articulate, happy and healthy citizens through an inspirational, high quality learning experience which enables them to grow academically, culturally and personally in the safe, caring, aspirational and nurturing environment of our talking, rights respecting academies.

The Trust's vision is to be a family of schools committed to being the best we can be for our young people, our staff and our communities.

Washwood Heath Multi Academy Trust will provide excellence for our young people and the communities we serve through being a caring, innovative family of schools, supported by our exemplary core team, which maximises the potential of the Trust's collaboration to develop all our people through on-going learning and our belief that our young people deserve the best we can be every day.

The Trust's values are:

Respect: Equality of opportunity for all; Integrity in all our practices; engagement with our communities and celebrating diversity.

Collaboration: Working together within the Trust and beyond to improve young people's outcomes and be a progressive, innovative learning organisation to which people feel they belong.

Aspiration: Excellence in everything we do.

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

Objectives, Strategies and Activities

The Trust's values provide the foundation for its strategic objectives.

RESPECT	COLLABORATION	ASPIRATION
For respectful relationships in a safe environment to be at the heart of the lived experience of all at the Trust, with all academies holding Gold UNICEF Rights Respecting Award status and being beacons of best practice in equality, diversity and inclusion	For the development of their ability to articulate themselves, be literate, numerate and able to work skilfully with others to be a hallmark of our young people's learning journey, deepening and demonstrating their academic learning, their metacognition and their personal development.	For all young people to achieve the best attainment they can from their starting points, resulting in them all making at least 'above national average' progress through an academically inspiring and culturally rich learning journey, so our academies strive to improve from a secure base of being undoubtedly 'good'.
For all involved with our Trust to know that their voices are valued, listened to and can help shape how we achieve our shared mission.	For the learning experiences of young people to be of an ever-improving high quality through the strategically planned collaboration within the Trust, building on the strengths and addressing the needs and the aspirations of colleagues in all roles.	For all staff to know that they are supported in their professional growth and their well-being so that they can do all in their capacity to exemplify the standards and aspirations the Trust has for our young people and to nurture excellence in all we do, supported by creative, flexible working practices.
For our communities to know that our Trust is proud to serve them and for the communities to view the Trust as a source of excellence, care and hope underpinned by our excellence in financial management, our use of technology and the care of our estates, including our planned progress to achieving carbon neutrality.	For the Trust to be fully involved at local and national level in developing, sharing and receiving better practice in all areas of Trust work, including collaborating with groups within and serving our communities.	For the unremitting commitment to inclusion and to the outcomes for our young people to be exemplified in the excellence of our provision for those with particular needs or vulnerabilities, reflected in the elimination of gaps in their achievement.
For the young people's learning journey to teach to them to celebrate diversity and to understand and be empowered to address the causes of prejudice.	For our young people to understand the power of collaboration and language in developing their own resilience and confidence to become respectful advocates in addressing issues of concern with optimism, with a focus on social and climate injustice, locally and globally.	For all young people to have a guarantee of high quality cultural and societal experiences as a result of being a young person within our Trust which will enable them to lead enriched, healthy adult lives.

Full details are provided within the Trust's strategic plan for 2021-24, which is available from the Trust's website.

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

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

In addition to their educational provision, Trust Academies provide facilities for recreational and other leisure time occupation for the local community in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Trust continued its improvement journey in 2021-22.

This has been evidenced in the progress against key performance indicators, in a context where many of our academies have dealt with the very severe impact on both staff and student attendance throughout the year caused by Covid. Despite this, the Trust's attendance procedures have been praised by an advisor from the Department of Education and student attendance was above national averages.

Our secondary academies are oversubscribed in Year 7, which is a major achievement for Tile Cross, historically an undersubscribed school. This shows the community responding to the improvements made. The academy was formed from a predecessor school, which was in special measures. Following an inspection in September 2021, the academy was adjudged to be 'Requires Improvement' and, significantly, was described as being an 'improving school'. Externally led, Trust-commissioned reviews reflect the continual improvement taking place at each of our academies.

A very significant moment in the development of the Trust was the successful removal of the Notice to Improve, brought about by excellence in the leadership of finances, strength provided by the renewal of the Board and clarity provided by the Trust's new strategy. The Trust has performed very well financially and set a balanced budget, while adapting staffing structures to meet strategic priorities, most notably by the creation of centralised teaching and learning team from September 2022.

The Trust has continued to embed its well-being strategy and begun a new approach to Equality, Diversity and Inclusion, with all staff having received initial training. The refresh programme for ICT continues as does our programme of improvements to the site, with student leaders now involved in our response to environmental and diet issues.

The Trust has been outward-looking, with presentations at two conferences planned for the autumn term. The CEO is an active member of the MAT CEO group co-ordinated by BEP and our heads of academy and directors are all involved in cross-city fora, groups and/or projects, including significant involvement in the City's flagship SEND project, Developing Local Provision. The Trust has continued to embed oracy activities as a central part of its strategy and hosted a national event, Voice 21's Great Oracy Exhibition, at Saltley in July, attended by approximately 400 delegates. We are liaising with other schools and Trusts on future collaborative projects and are providing a training package on attendance to over 100 schools, Trusts and other partnerships.

The Trust's commitment to our young people's wider learning experience continues to develop, with the return of the Grand Iftar event during Ramadan and shared planning of events to celebrate both the Queen's Jubilee and the Commonwealth Games; likewise, colleagues shared resources to enable us to guide our young people through the events surrounding the Queen's passing. Our PHSE and Personal Development programmes have all been externally verified with positive reports received. All our academies are UNICEF Rights Respecting Schools, with our three 'silver' award schools now looking to join the rest at 'Gold' standard.

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

In terms of the objectives agreed by the Board for this year, covered by the summary above, good progress has been made. The Trust will need to fine tune our publicity strategy to two of our academies which are undersubscribed, although one has seen an improvement this year and is close to being full. There will be a renewed focus on reaching out to work in partnership with the community, as well with the education sector as has been done to good effect this year. This will be supported by new local governance arrangements. A new SEND strategy has been introduced, which will now be embedded. The staff survey metrics show good engagement, and the Trust is now aiming at being above average in all areas of this benchmarked survey.

Key Performance Indicators

Three of our four primary schools saw pleasing improvements overall in Key Stage 2 SATs results compared to the last pre-pandemic year (2019). In reading, where national averages were similar between the two years, Brownmead's ARE+ rose by 7% to be 6% above the national average. Both Firs and Gossey Lane rose by 15% and 24% respectively, to be within 8% and 6% of national respectively. Performance in Maths was similar at Brownmead and Firs, with both being above average for SPaG. Writing was the area which now requires focus at Firs, which lowered its combined score. Gossey Lane will be focussing on writing and mathematics. However, both schools showed the positive impact of the Trust's work at this stage of their development. Topcliffe had a cohort with lower prior attainment and shows a dip in performance, also impacted by Covid, which is expected only to be a one-year dip.

Gossey Lane showed an improvement in all subjects at KS1, most notably at 5% in reading. Other primary academies showed a dip of 8-9%. The Washwood Heath primary section saw a significant dip, but this is attributable to staff changes, now resolved.

In the early years, very notable improvements in EYFS GLD and Year 1 Phonics at Firs are the main headlines.

At secondary, again compared to 2019, Saltley Academy saw a 7% increase in those students achieving English Language and Mathematics at Grade 4 and above, with a 12% increase in those achieving Grade 4 in Mathematics. At Washwood Heath, there was a 9% increase in those achieving English Language and Mathematics at Grade 5 and above and an 18% improvement at Grade 4 and above, with a 25% increase in those achieving Grade 4 in Mathematics. Tile Cross Academy saw a 7% increase in Grade 4 and above in English Language, with stable results compared to 2019 in Mathematics. It should be noted that the majority of schools will report English - the best of either Language or Literature - but as our students took Literature in Year 10, this year the Trust is reporting improvements despite only Language being counted in the measure. The majority of Washwood Heath's Post 16 provision is in 'vocational' subjects, in which there was a 0.8 improvement to 0.66 above average in terms of 'value added'.

Academy level variance reporting has continued to be undertaken on a monthly basis throughout the year. This enables Heads of Academies to identify adverse variances and act to address budget pressure before they become a significant financial issue.

At the beginning of the financial year each Trust Academy is set either a target surplus, or a deficit budget (to allow for investment in that academy). All of the Trust's academies have either met their financial target or exceeded it, in 2021-22:

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

	Budgeted Surplus / deficit £000's	Actual Surplus / deficit £000's
Washwood Heath Academy	103	470
Saltley Academy	436	863
Brownmead Academy	-59	-22
Gossey Lane Academy	-121	-122
Tile Cross Academy	-502	-390
Topcliffe Primary School	-38	247
Firs Primary School	30	68
MAT Core Team (CT)	150	113
ACADEMY TRUST	-0	1,228

This strong financial performance has enabled the Trust to enhance its other key financial performance indicator, the level of reserves held at the Balance Sheet date. The Trust reported free reserves of £2.159m in 2020/21 and has managed to achieve an increase in reserves in 2021/22 to their present level of £3.136m.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Throughout the 2021/22 financial year the Trust has managed to increase its net current assets by over £1.6m from £3.0m to £4.7m. The Trust is also in a position to report an increase in its reserves from £2.159m in 2020-21 to £3.136 at 31st August 2022.

The Trust has also demonstrated its going concern status through the preparation of a three-year financial plan based on:

- the Trust continuing to provide education to approximately four thousand seven hundred pupils;
- the continued receipt of ESFA funding and no significant variation in the manner in which academy sector funding is calculated; and
- ESFA funding rates keeping pace with both pay and general inflation, within the wider UK economy.

The Trust's three-year financial plan was also shared with Trustees at their board meeting on the 19th July 2022.

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA 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 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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 2022, the Trust received total revenue income of £35.1m and incurred total revenue expenditure of £36.1m. The excess of expenditure over income for the year was £1m. Grant income from the EFSA continues to be of vital importance to the Trust, accounting for 98.3% of revenue funding received by the Trust.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

At 31 August 2022 the net book value of fixed assets was £59.4m and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils throughout the Trust.

Key financial policies adopted or reviewed during the year include updated versions of the Trust's Financial Regulations Manual, Procurement and Reserves Policies. These policies provide the Trust's framework for financial management, including the financial responsibilities of the Board, Finance & Well-being Committee, Heads of Academies, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Remissions and the Trust's Risk Management and Cyber Security Policies.

Reserves Policy

As set out in its reserves policy, Washwood Heath Multi Academy Trust currently holds free reserves, which constitute unspent grant funding from previous financial years. The Trust does not hold a separate reserve for each academy within the Trust, but instead pools its reserves into one single central reserve. This centralised approach is to enable the Trust to better manage its reserves and ensure it has a clear strategy in place to maximise the benefits of holding reserves.

The Trust holds reserves to ensure it is able to protect the Trust's operations against unforeseen financial events and contribute to the smooth financial running of the Trust. This approach relates directly to the Trust's strategic goal: 'For our communities to know that our Trust is proud to serve them and for the communities to view the Trust as a source of excellence, care and hope underpinned by our excellence in financial management'.

To ensure a prudent but not excessive level of reserves are held by the Trust, Trustees have agreed that the Trust's reserve levels should be maintained at approximately 6% of its total revenue grant received from the ESFA. This equates to approximately £2 million. Reserves held in excess of the Trust's recommended level are used to create a Trust Improvement Fund and made available for strategic priorities and improvement projects identified by the Trust's senior leadership team.

At balance sheet date free reserves were £3.136 million (2021: £2.159 million).

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy 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 Academy Trust.

Investment Policy

In balancing risk against return, the Trust's investments are geared towards avoiding risk as opposed to maximising any return on the investment. Accordingly, it is the Trust's policy to only invest funds in low risk and immediately accessible deposit accounts or similar financial products.

Officers regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments.

Any funds identified that are surplus to immediate cash requirements are transferred to an appropriate high interest deposit account rate. The maximum investment term should be no longer than twelve months from the date of deposit.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

As at 31st August 2022 the cash balance within the Trust's current account was inflated by £6.5m, due to the failure of Birmingham City Council to collect the Trust's payroll charges, for the months of June, July and August. Whilst the Trust's accounts include a matching liability for the funds owed to the City Council, these additional funds have the effect of making the Trust appear more cash rich than it actually is.

Of the £11.368m cash (2021: £5.218 million) held by the Trust at the balance sheet date, £6.505m is owed to Birmingham City Council and £1.016m was invested in a thirty-two day notice High Interest Deposit Account with Lloyds Bank.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trust's risk management process is based on its strategic objectives and the identification and mitigation of significant risks, to the accomplishment of those objectives. The Trust records its principal risks on its central risk register, which is reviewed on a termly basis by the Trust's senior leadership team and reported to Trustees via the Audit Risk and Compliance Committee.

The Trust risk register covers all aspects of the Trust's work enabling the Trust to manage the risks associated with crucial areas such as safeguarding, the quality of our curriculum, health and safety risk and the Trust's ability to recruit, retain and motivate the good quality staff it needs.

The most significant financial risks which the Trust leadership is currently aware of and actively monitoring include:

- A) The risk that the Trust fails to delivery its decarbonisation and energy reduction plans leading to significant rising energy costs or failure to reduce carbon emissions.
- B) Failure to manage Capital investment effectively resulting in a reduction in the quality, suitability and safety of the Trust's physical estate or the recovery of the Trust's School Condition Allocation (SCA) Funding, if not spent within agreed timescales or on appropriate capital investment.
- C) Financial Resources: the risk that the available funding is insufficient to meet the needs of all young people, either as a result of insufficient income generation or a failure to communicate and implement clear budgets.
- D) The risk that the Trust enters into inappropriate or unauthorised financial transactions which breach the Trust's own policies and / or the Academy Trust Handbook.
- E) The risk that the Trust fails to plan effectively for a reduction in pupil numbers at one or more academies, reducing the level of finance available to academies in future years. This may materialise if the Trust fails to foresee and adjust to changing demographics or local competition and may result in academies within the Trust hosting uneconomical class sizes.

STREAMLINED ENERGY AND CARBON REPORTING

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all 7 schools controlled during the reporting period and minibuses along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

UK Greenhouse gas emissions and energy use data for the period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy consumption used to calculate emissions (kWh)		
Energy consumption break down (kWh) (optional)		
• gas,	4,308,655	4,438,744*
• electricity,	1,669,060	1,753,791
• transport fuel	29,691	10,291
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	786.5	818.4*
Owned transport – mini-buses	5.3	1.8
<u>Total scope 1</u>		
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	372.4	322.8
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	0.6	1.9
Total gross emissions in metric tonnes CO2e	1,116.5	1,193.3*
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.239	0.263*
Tonnes of CO2e per square meter floor area	0.030	0.032*

* Figures are corrected from last year's report as consumption from supply point MPR 9326668702 at Saltley Academy was excluded

Quantification and Reporting Methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2022 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity, gas and minibus diesel consumption were compiled from invoice records. Mileage claims were used to calculate energy use and emissions associated with grey fleet. Where invoices did not cover the full reporting year, the pro-rata estimation technique was applied. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Intensity measurement

The primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil, which is the recommended ratio for the sector for consistency and comparability. Pupil numbers are based on the Autumn 2021 Census. A secondary intensity ratio based on floor area is also provided to reflect the energy efficiency of the buildings, which are the source of the majority of emissions. Floor area is measured as Gross Internal Area and taken from predominantly Display Energy Certificates.

Tonnes of CO₂e per pupil	Year ended 31/08/2022	Year ended 31/08/2021
Brownmead Primary Academy	0.193	0.238
Firs Primary School	0.206	0.196
Gossey Lane Academy	0.224	0.227
Saltley Academy	0.280	0.355*
Tile Cross Academy	0.282	0.409
Topcliffe Primary School	0.279	0.288
Washwood Heath Academy	0.179	0.193†
All schools and transport	0.239	0.263*†

* Figures are corrected from last year's report as consumption from supply point MPR 9326668702 at Saltley Academy was excluded

† Figures are corrected from last year's report as the consumption removed from Tile Cross Academy due to shared occupancy, was incorrectly apportioned onto Washwood Heath Academy.

Measures taken to improve energy efficiency

In the year ending 31st August 2022 the Trust has continued to invest in its windows replacement programme, which is designed to improve the energy efficiency of academies throughout the Trust. The Trust invested £271,732 of its School Condition Allocation Funding in 2021-22 (2020-21 £281,294) in this phase of this energy efficiency project.

In addition to this, staff travel between sites has been reduced through the improved use of video conferencing software and the Trust now continue to encourage home working, to reduce carbon emissions from commuting and allow staff to benefit from flexible working arrangements.

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

PLANS FOR FUTURE PERIODS

By 2024, all our present academies will be moving forward from the foundations of:

- All young people's progress being at least above national average;
- Average attendance at each academy at least at national average;
- Being graded no less than 'good' by Ofsted;
- Holding the UNICEF Rights Respecting Schools Gold Award;
- Fulfilling the Gatsby Benchmarks, with no students leaving to be 'NEET'.
- Being Stage 2 Voice 21 Oracy Schools, with two academies at Stage 3;
- All staff engagement metrics above national benchmarks;
- Balanced and strategically planned finances;
- Being oversubscribed;
- Being entrusted with the improvement of other schools.

We believe that our young people are entitled to the highest quality learning experience and we promise them a curriculum which will enable each and every one of them:

- to excel academically and be inspired across their full entitlement of subjects;
- to learn how to be safe and healthy;
- to receive a guarantee of cultural and societal experiences;
- to be an effective, life-long learner and participating global citizen who celebrates diversity and can address prejudice;
- to use language effectively and be a confident and respectful advocate for good;
- to collaborate and develop knowledge and skills for learning and for life.

We believe that their parents and carers are crucial partners in the education of our young people and we promise that we will:

- build a positive working relationship with them;
- earn their trust and confidence.

We believe that all our staff, in all roles, will be the best they can be for our young people by their commitment to our mission and to their own continual learning journey, in a workplace environment underpinned by our values. We promise that all staff will be supported to:

- model our values;
- grow professionally through collaboration and reflection;
- know and achieve what is expected of them;
- be well;
- be well led and to learn to lead.

It is through collaboration with our young people, their parents and carers, our wider community and our staff that the Trust will seek to deliver these plans.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

During the 2021/22 accounting period Washwood Heath Multi Academy Trust have not acted as a Custodian Trustee on behalf of any others.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

AUDITOR

In so far as the Trustees are aware:

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

The auditors, 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 the company directors, on 14 December 2022 and signed on the board's behalf by:



Graham Parker
Chair of Trustees

Date: 14 December 2022

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Washwood Heath 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 Washwood Heath 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.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met six 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
Graham Parker, Chair of Trustees	6	6
Clive Bailey	6	6
David Hawker	5	6
Frieza Mahmood	2	4
Hetal Parmar	4	6
Joan Low	6	6
James Keen	3	4
Peter Freeth	6	6
Roland Charles Vernon	3	4
Samantha Smith	0	4
Scott Kind	0	1
Emma Beswick	1	1
Aftab Chughtai	0	2

During the 2020-21 academic year an external review of governance was undertaken and it was noted that certain trustees had been in positions for in excess of eight years. Following the appointment of five new trustees in March 2021 a succession plan was created to draw terms of office to an end for those who had been involved in the governance of the Trust for a period in excess of eight years.

Support was sought through Academy Ambassadors to recruit four trustees to replace those whose terms of office were due to end. As part of the recruitment process an assessment was undertaken to determine the skills required to support the Board to fulfil its remit. Four appointments were made during January 2022 and a decision was made by the Board to retain one long standing trustee to ensure the knowledge they held was not lost, whilst new colleagues gained an understanding of the journey of the Trust and its academies.

Due to the composition of the Board being predominately new members it was agreed that an external review of governance would be undertaken during the 2022-23 academic year.

Governance Review

Following the improvements made to the governance of the Trust and outlined above, an assessment of local governance was undertaken during the summer term. It was determined by the Board, that the Trust's local governance was not functioning as desired. To address this concern the Trust will be moving to an advocate model of local governance with effect from 1 November 2022.

This will involve each academy having five trust advocates for: young people, parent/carers, staff and community who will all be led by a chair who, in turn, will report directly to the head teacher. The idea being they are advocates of the Trust, supporting stakeholders at a local level. A set of terms of reference has been created for the group, along with role descriptors for each advocate post. The chair advocate will report directly to the Education Standards Committee, who in turn will report their findings to the Board.

An external review of governance will be undertaken during the 2022-23 academic year.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Sub-committees of the Board of Trustees

The Finance and Wellbeing Committee is a sub-committee of the main Board of Trustees. Its purpose is to consider the Trust's financial planning and monitor its financial performance against the pre-agreed annual budget; monitor health and safety compliance and the management of the Trust's estate; review progress against the Trust's IT refresh programme and monitor the impact of the people strategy including absence monitoring, staff recruitment and retention, ED&I and wellbeing. During the year Frieza Mahmood joined the committee and Aftab Chughtai left the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Aftab Chughtai	0	1
Frieza Mahmood	2	2
Hetal Parmar	3	3
Peter Freeth	2	3

The Risk Audit and Compliance Committee is a sub-committee of the main Board of Trustees. Its purpose is to consider the appointment of external and internal auditors and to set and review a programme of works for the internal audits; to review the adequacy and robustness of the risk register, and the adequacy and effectiveness of the Trust's governance, risk management and internal control arrangements, as well as arrangements for securing value for money. During the year James Keen, Peter Freeth and Sam Smith joined the committee and Emma Beswick and Aftab Chughtai left the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Aftab Chughtai	0	2
David Hawker	3	3
Emma Beswick	1	1
James Keen	1	1
Peter Freeth	1	1
Sam Smith	1	1

The Pay and Progression Committee is a sub-committee of the main Board of Trustees. Its purpose is to submit recommendations to the Board and ensure policies and procedures are being adhered to in relation to staff professional growth, pay and all other HR related reporting. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Clive Bailey	2	2
Joan Low	2	2
Peter Freeth	2	2

The Education Standards Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor and challenge the progress against targets of all young people, to monitor and evaluate the quality of teaching and learning across the trust. To review the curriculum and ensure it meets the requirements of the National Curriculum and relevant legislation and receive, scrutinise and challenge reports in relation to safeguarding and attendance. During the year Roland Vernon joined the committee. Attendance at meetings in the year was as follows:

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Trustee	Meetings attended	Out of a possible
Clive Bailey	5	5
David Hawker	5	5
Joan Low	5	5
Roland Vernon	1	3

REVIEW OF VALUE FOR MONEY

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

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

- The Trust becoming an active member of the government's Kickstart scheme. This enabled the Trust to offer 6 month work placements to six young people, who were otherwise unable to find paid employment. This provided an invaluable career break to the six young people employed by the Trust and earned the Trust £32k in additional government grant funding. The scheme cost the Trust a total of £35k in salary costs, resulting the Trust being able to employ the equivalent of three full time members of staff for just £3k.
- All seven of the Trust's academies actively engaging with the Department for Education's (DfE) School Led Tutoring programme, the aim of which is to increase the level of tuition available to pupils throughout England, to enable them to regain learning lost as a result of the pandemic. The DfE expected the average hourly cost of this tuition to be £18 an hour, however WHMAT academies successfully delivered over nineteen thousand hours of tuition, to over one thousand pupils, at an average hourly cost of £12.44.
- Adopting a new recruitment platform for 2021-22. As a result of this exercise the Trust secured a substantial 69% savings on its previous recruitment platform and was able to post 158 adverts, process 1,126 applications and make offers to 141 candidates (an 89% success rate). Alongside the impressive saving achieved, the Trust has also been able to streamline its recruitment process and greatly enhanced the quality of recruitment management information available to its People Team.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Washwood Heath Multi-Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and 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 Wellbeing 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;
- a clearly defined procurement policy (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- the identification and management of risks, through the Trust's risk register and risk management process.

The Board of Trustees has considered the need for a specific internal audit function and appointed TIAA internal auditor for the financial years 2019/20, 2020/21 and 2021/22. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's systems and processes. In particular the checks carried out in the current period included trust wide reviews of:

- Risk Management;
- Cyber Security;
- Pupil Recruitment and Retention; and
- Teaching & Learning Responsibility (TLR) Allowance & Upper Pay Range (UPR).

On a termly basis the internal auditor reports to the Board of Trustees, through the Audit, Risk and Compliance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The internal auditor delivered their schedule of work as planned, and reported details of any material control issues arising as a result of their work to the Audit, Risk and Compliance Committee.

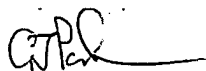
REVIEW OF EFFECTIVENESS

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 financial month end close down process and management reporting;
- the work of the internal auditor;
- the work of the external auditor;
- the oversight of Heads of Academies and Directors regarding the compliance of their staff;
- 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 Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Graham Parker
Chair of Trustees
Date: 14 December 2022



Peter Weir
Accounting Officer

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Washwood Heath Multi-Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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



Peter Weir
Accounting Officer
Date: 14 December 2022

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

Company law requires the Trustees to prepare financial statements for each financial 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 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Graham Parker
Chair of Trustees
Date: 14 December 2022

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WASHWOOD HEATH MULTI-ACADEMY TRUST**

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WASHWOOD HEATH MULTI-ACADEMY TRUST (CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WASHWOOD HEATH MULTI-ACADEMY TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WASHWOOD HEATH MULTI-ACADEMY TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

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



Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

16 December 2022

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WASHWOOD HEATH MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Washwood Heath Multi-Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF WASHWOOD HEATH MULTI-ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Washwood Heath Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 31 October 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

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 noncompliance.

The work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WASHWOOD
HEATH MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

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



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 16 December 2022

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2022 £000's	Restricted funds 2022 £000's	Restricted fixed asset funds 2022 £000's	Total funds 2022 £000's	Total funds 2021 £000's
INCOME FROM:						
Donations and capital grants	4	-	-	1,107	1,107	1,048
Other trading activities	6	2	-	-	2	4
Investments	7	2	-	-	2	1
Charitable activities	5	-	35,117	-	35,117	33,728
TOTAL INCOME		4	35,117	1,107	36,228	34,781
EXPENDITURE ON:						
Charitable activities	8	-	36,135	3,539	39,674	36,700
TOTAL EXPENDITURE		-	36,135	3,539	39,674	36,700
Transfers between funds	20	-	30	(30)	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		4	(988)	(2,462)	(3,446)	(1,919)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	21,781	-	21,781	(3,842)
NET MOVEMENT IN FUNDS		4	20,793	(2,462)	18,335	(5,761)
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,046	(32,076)	62,894	31,864	37,625
Net movement in funds		4	20,793	(2,462)	18,335	(5,761)
TOTAL FUNDS CARRIED FORWARD		1,050	(11,283)	60,432	50,199	31,864

The Statement of financial activities includes all gains and losses recognised in the year.

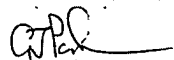
The notes on pages 33 to 61 form part of these financial statements.

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08531479

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £000's	2021 £000's
FIXED ASSETS			
Tangible assets	15	59,440	62,338
CURRENT ASSETS			
Debtors	16	1,208	1,474
Cash at bank and in hand		11,368	5,218
		<u>12,576</u>	<u>6,692</u>
Creditors: amounts falling due within one year	17	(7,903)	(3,678)
NET CURRENT ASSETS		<u>4,673</u>	<u>3,014</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>64,113</u>	<u>65,352</u>
Creditors: amounts falling due after more than one year	18	(45)	(50)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>64,068</u>	<u>65,302</u>
Defined benefit pension scheme liability	27	(13,869)	(33,438)
TOTAL NET ASSETS		<u><u>50,199</u></u>	<u><u>31,864</u></u>
FUNDS OF THE ACADEMY TRUST			
RESTRICTED FUNDS:			
Fixed asset funds	20	60,432	62,894
Restricted income funds	20	2,586	1,362
		<u>63,018</u>	<u>64,256</u>
Restricted funds excluding pension asset	20	63,018	64,256
Pension reserve	20	(13,869)	(33,438)
TOTAL RESTRICTED FUNDS	20	<u>49,149</u>	<u>30,818</u>
UNRESTRICTED INCOME FUNDS	20	<u>1,050</u>	<u>1,046</u>
TOTAL FUNDS		<u><u>50,199</u></u>	<u><u>31,864</u></u>

The financial statements on pages 30 to 61 were approved by the Trustees, and authorised for issue on 14 December 2022 and are signed on their behalf, by:



Graham Parker
Chair of Trustees

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

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £000's	2021 £000's
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	22	5,684	903
CASH FLOWS FROM INVESTING ACTIVITIES	23	466	205
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		6,150	1,108
Cash and cash equivalents at the beginning of the year		5,218	4,110
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	11,368	5,218

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

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

Washwood Heath Multi Academy Trust is a Charitable Company limited by guarantee, incorporated in England and Wales. The registered office is Washwood Heath Academy, Burney Lane, Stechford, Birmingham, B8 2AS.

2. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The financial statements are prepared in Sterling, which is the functional and presentation currency of the Academy Trust, and are rounded to the nearest £1,000.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Throughout the 2021/22 financial year the Trust has managed to strengthen its cash position, delivering an increase of £6.2m in cash held in the bank, from £5.2m to £11.4m. The increase is due to a payroll creditor of £6.5m, resulting in a net cash decrease of £300k.

ESFA grant funding accounts for 95% of the Trust's revenue income and the Trust foresees the continued payment of this funding for the 2022/23 academic year and beyond. The Trust's funding is driven primarily by pupil numbers and Trust's census results for October 2021 show pupil numbers to be 4,666 for the 2021/22 academic year. For these reasons, the Trust continues to adopt the going concern basis in preparing the financial statements.

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

2.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.6 TAXATION

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

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

2.7 TANGIBLE FIXED ASSETS

Assets costing £10,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

On conversion the Academy Trust were granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority schools. On conversion the long leasehold property was recognised as a donation from the Local Authority and was valued using the depreciation replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold land	- 0.8% straight line
Long-term leasehold property	- 4-4.7% straight line
Furniture and equipment	- 20% straight line
Plant and machinery	- 20%-33% straight line
Computer equipment	- 20%-33% straight line
Motor vehicles	- 20% straight line

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

2.8 DEBTORS

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

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

2. ACCOUNTING POLICIES (continued)

2.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.12 OPERATING LEASES

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

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

2. ACCOUNTING POLICIES (continued)

2.13 PENSIONS

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

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

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

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

2.14 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 31.

2.15 FUND ACCOUNTING

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

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

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

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

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

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £000	Restricted fixed asset funds 2022 £000's	Total funds 2022 £000's	Total funds 2021 £000's
Donations	-	-	-	360
Capital grants	-	1,107	1,107	688
TOTAL 2022	-	1,107	1,107	1,048
TOTAL 2021	10	1,038	1,048	

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Restricted funds 2022 £000's	Total funds 2022 £000's	Total funds 2021 £000's
DfE/ESFA GRANTS			
General Annual Grant (GAG)	29,429	29,429	27,473
OTHER DfE/ESFA GRANTS			
Pupil Premium	2,790	2,790	2,588
Universal Infant Free School Meals (UFSM)	105	105	142
Supplementary Grant	380	380	-
School Led Tutoring	178	178	-
Recovery Premium	366	366	-
Teachers Pay and Pension Grant	31	31	1,088
Other DfE/ESFA grants	253	253	377
	33,532	33,532	31,668
OTHER GOVERNMENT GRANTS			
Higher Needs	721	721	415
Growth Funding	163	163	793
Other government grants: non capital	68	68	-
	952	952	1,208
OTHER FUNDING			
Internal catering income	354	354	195
Other income	89	89	26
Other grants	138	138	78
	581	581	299
COVID-19 ADDITIONAL FUNDING			
DfE/ESFA Mass Funding	52	52	91
DfE/ESFA Catch-up Premium	-	-	363
Coronavirus Job Retention Scheme Grant	-	-	58
Other non-DfE/ESFA COVID-19 funding	-	-	41
	52	52	553
TOTAL EDUCATION	35,117	35,117	33,728
	35,117	35,117	33,728
TOTAL 2021	33,728	33,728	

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £000's	Total funds 2022 £000's	Total funds 2021 £000's
Hire of facilities	1	1	3
Other	1	1	1
TOTAL 2022	2	2	4
TOTAL 2021	4	4	

7. INVESTMENT INCOME

	Unrestricted funds 2022 £000's	Total funds 2022 £000's	Total funds 2021 £000's
Short term deposits	2	2	1
TOTAL 2021	1	1	

8. EXPENDITURE

	Staff Costs 2022 £000's	Premises 2022 £000's	Other 2022 £000's	Total 2022 £000's	Total 2021 £000's
EDUCATION:					
Direct costs	22,714	3,539	2,851	29,104	26,845
Support costs	7,505	1,068	1,997	10,570	9,855
TOTAL 2022	30,219	4,607	4,848	39,674	36,700
TOTAL 2021	27,990	4,713	3,997	36,700	

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £000's	Support costs 2022 £000's	Total funds 2022 £000's	Total funds 2021 £000's
Education	29,104	10,570	39,674	36,700
TOTAL 2021	26,845	9,855	36,700	

ANALYSIS OF DIRECT COSTS

	Total funds 2022 £000's	Total funds 2021 £000's
Pension finance costs	325	295
Staff costs	22,714	20,998
Depreciation	3,539	3,534
Educational supplies	799	655
Examination fees	246	248
Other costs	203	106
Professional fees	1,278	1,009
TOTAL 2022	29,104	26,845

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £000's	Total funds 2021 £000's
Pension finance costs	240	145
Staff costs	7,506	6,992
Staff development	57	60
Other costs	10	12
Maintenance of premises and equipment	443	444
Cleaning	101	114
Rent and rates	139	128
Energy costs	384	389
Insurance	101	104
Security and transport	34	30
Catering	489	382
Technology costs	37	79
Office overheads	619	586
Professional fees	328	266
Legal fees	40	85
Governance costs	42	39
TOTAL 2022	10,570	9,855

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2022 £000's	2021 £000's
Operating lease rentals	67	11
Depreciation of tangible fixed assets	3,540	3,534
Fees paid to auditors for:		
- Audit	24	23
- Other services	8	7

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

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2022 £000's	2021 £000's
Wages and salaries	20,503	20,318
Social security costs	2,072	2,004
Pension costs	6,126	4,881
	28,701	27,203
Agency staff costs	1,485	604
Staff restructuring costs	33	183
	30,219	27,990

Staff restructuring costs comprise:

	2022 £000's	2021 £000's
Redundancy payments	-	80
Severance payments	33	103
	33	183

b. SPECIAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £33k (2021: £103k). Individually the payments were £2k, £2k, £3k, £5k, £8k and £13k (2021: £3k, £50k and £50k).

c. STAFF NUMBERS

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

	2022 No.	2021 No.
Teachers	292	291
Administration and support	376	376
Management	40	43
	708	710

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11. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	21	13
In the band £70,001 - £80,000	3	5
In the band £80,001 - £90,000	3	1
In the band £90,001 - £100,000	1	1
In the band £110,001 - £120,000	1	-
In the band £160,001 - £170,000	-	1
	<hr/>	<hr/>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,093,267 (2021: £1,380,625).

12. CENTRAL SERVICES

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

- Financial services
- Legal services
- Education and support services
- Estate management
- Insurance services
- Human resource services

From the 1 September 2021, the Academy Trust has made the decision to not pool all of their General Annual Grant (GAG) income in line with ESFA guidance and therefore now recharge any central costs. Detailed cost centre budgets are developed for each individual school within the Academy Trust, which are then monitored regularly by the management team who allocate and control the income to ensure the individual schools are performing financially and academically.

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

13. TRUSTEES' REMUNERATION AND EXPENSES

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 from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration including employer pension contributions in respect of defined benefit schemes in the year was as follows; P Weir: Remuneration £135,000 - £140,000 (2021: £Nil), employer's pension contributions £25,000 - £30,000 (2021: £Nil) and B Mabey: £Nil (2021: £165,000 - £170,000), employer's pension contributions £Nil (2021: £Nil).

During the year ended 31 August 2022, expenses totalling £Nil were distributed to Trustees (2021: £Nil).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust 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 2022 was cost of this insurance is included in the total insurance cost within support costs.

15. TANGIBLE FIXED ASSETS

	Long-term leasehold property £000's	Furniture and equipment £000's	Motor vehicles £000's	Total £000's
COST OR VALUATION				
At 1 September 2021	76,559	1,876	106	78,541
Additions	371	271	-	642
At 31 August 2022	<u>76,930</u>	<u>2,147</u>	<u>106</u>	<u>79,183</u>
DEPRECIATION				
At 1 September 2021	15,331	775	97	16,203
Charge for the year	3,237	300	3	3,540
At 31 August 2022	<u>18,568</u>	<u>1,075</u>	<u>100</u>	<u>19,743</u>
NET BOOK VALUE				
At 31 August 2022	<u>58,362</u>	<u>1,072</u>	<u>6</u>	<u>59,440</u>
At 31 August 2021	<u>61,228</u>	<u>1,101</u>	<u>9</u>	<u>62,338</u>

WASHWOOD HEATH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. DEBTORS

	2022 £000's	2021 £000's
DUE WITHIN ONE YEAR		
Trade debtors	40	54
Other debtors	4	1
Prepayments and accrued income	1,080	1,296
Tax recoverable	84	123
	<u>1,208</u>	<u>1,474</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £000's	2021 £000's
ESFA loans	5	-
Trade creditors	3,750	1,963
Other taxation and social security	1,524	469
Other creditors	1,490	399
Accruals and deferred income	1,134	847
	<u>7,903</u>	<u>3,678</u>

	2022 £000's	2021 £000's
Deferred income at 1 September 2021	413	114
Resources deferred during the year	482	413
Amounts released from previous periods	(413)	(114)
	<u>482</u>	<u>413</u>

Deferred income relates to Universal Infant Free School Meals, Local Authority Pupil Premium received in advance and other small grants relating to the 2022/23 financial year.

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

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £000's	2021 £000's
ESFA loans	45	50

Included within ESFA loans due after more than one year is one Salix loan totalling £45,000 (2021: £50,000). The balance represents amounts due to be paid within greater than one year on the loan from the ESFA. This is a 10 year loan with an interest rate of 1.85% per annum, repayable in equal monthly instalments beginning in September 2022.

19. FINANCIAL INSTRUMENTS

	2022 £000's	2021 £000's
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	11,368	5,218
Financial assets that are debt instruments measured at amortised cost	586	704
	<u>11,954</u>	<u>5,922</u>
	2022 £000's	2021 £000's
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(7,425)	(2,846)

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

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors, VAT recoverable and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and ESFA loans.

WASHWOOD HEATH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. STATEMENT OF FUNDS

	Balance at 1 September 2021 £000's	Income £000's	Expenditure £000's	Transfers in/out £000's	Gains/ (Losses) £000's	Balance at 31 August 2022 £000's
UNRESTRICTED FUNDS						
General funds	1,046	4	-	-	-	1,050
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,113	29,429	(28,456)	-	-	2,086
Pupil Premium	35	2,790	(2,825)	-	-	-
Catch-up Premium	197	-	(197)	-	-	-
School Led Tutoring	-	178	(178)	-	-	-
Recovery Premium	-	366	(266)	-	-	100
Other ESFA grants	-	821	(495)	30	-	356
Higher Needs	17	721	(694)	-	-	44
Other government grants	-	231	(231)	-	-	-
Other revenue income	-	581	(581)	-	-	-
Pension reserve	(33,438)	-	(2,212)	-	21,781	(13,869)
	<u>(32,076)</u>	<u>35,117</u>	<u>(36,135)</u>	<u>30</u>	<u>21,781</u>	<u>(11,283)</u>
RESTRICTED FIXED ASSET FUNDS						
Transfer on conversion	48,922	-	(3,539)	-	-	45,383
DfE/ESFA capital grants	2,939	1,107	-	(30)	-	4,016
Capital expenditure from GAG	2,081	-	-	-	-	2,081
Other capital donations	8,952	-	-	-	-	8,952
	<u>62,894</u>	<u>1,107</u>	<u>(3,539)</u>	<u>(30)</u>	<u>-</u>	<u>60,432</u>
TOTAL RESTRICTED FUNDS	<u>30,818</u>	<u>36,224</u>	<u>(39,674)</u>	<u>-</u>	<u>21,781</u>	<u>49,149</u>
TOTAL FUNDS	<u>31,864</u>	<u>36,228</u>	<u>(39,674)</u>	<u>-</u>	<u>21,781</u>	<u>50,199</u>

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

20. STATEMENT OF FUNDS (CONTINUED)

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

Restricted funds

General Annual Grant (GAG) - income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other DfE/ESFA grants - restricted income from the ESFA which is to be used in accordance with the terms of the funding.

Higher Needs - funding provided by Local Authorities for the Academy Trust to fund further support for students with additional needs.

Other grants - income which has been received for specific purposes.

Pension reserve – this represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme (LGPS). As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

Restricted fixed asset funds

DfE / ESFA capital grants - these funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the net book value (NBV) of assets and any unspent grant amounts.

Fixed assets transferred on conversion – this represent the buildings and equipment donated to the School from the Local Authority on conversion to an Academy

Other capital grants - the funds are received from third parties for direct expenditure on fixed asset projects. The fixed asset fund balance at year end represents the NBV of assets and any unspent grant amounts.

Capital expenditure purchased from other funds - These funds represent fixed assets purchased using other restricted or unrestricted income.

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

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2020 £000's	Income £000's	Expenditure £000's	Gains/ (Losses) £000's	Balance at 31 August 2021 £000's
UNRESTRICTED FUNDS					
General funds	1,031	15	-	-	1,046
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	-	27,461	(26,348)	-	1,113
Pupil Premium	-	2,588	(2,553)	-	35
Catch-up Premium	-	363	(166)	-	197
School Led Tutoring	-	1,768	(1,768)	-	-
Other ESFA grants	-	415	(398)	-	17
Higher Needs	-	1,133	(1,133)	-	-
Pension reserve	(28,796)	-	(800)	(3,842)	(33,438)
	(28,796)	33,728	(33,166)	(3,842)	(32,076)
RESTRICTED FIXED ASSET FUNDS					
Transfer on conversion	51,717	-	(2,795)	-	48,922
DfE/ESFA capital grants	2,010	1,038	(109)	-	2,939
Capital expenditure from GAG	2,200	-	(119)	-	2,081
Other capital donations	9,463	-	(511)	-	8,952
	65,390	1,038	(3,534)	-	62,894
TOTAL RESTRICTED FUNDS	36,594	34,766	(36,700)	(3,842)	30,818
TOTAL FUNDS	37,625	34,781	(36,700)	(3,842)	31,864

WASHWOOD HEATH MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000's	2021 £000's
Washwood Heath Academy	34	22
Saltley Academy	22	10
Brownmead Academy	2	6
Gossey Lane Academy	-	1
Tile Cross Academy	-	12
Topcliffe Primary Academy	58	1
Firs Primary School	28	-
Central services	3,492	2,356
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,636	2,408
Restricted fixed asset fund	60,432	62,894
Pension reserve	(13,869)	(33,438)
	<hr/>	<hr/>
TOTAL	50,199	31,864
	<hr/> <hr/>	<hr/> <hr/>

The Academy Trust from September 2021 onwards started to reserve pool therefore all reserves are now shown through central services.

WASHWOOD HEATH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £000's	Other support staff costs £000's	Educational supplies £000's	Other costs excluding depreciation £000's	Total 2022 £000's	Total 2021 £000's
Washwood Heath Academy	7,911	1,480	488	903	10,782	8,701
Saltley Academy	5,942	934	382	611	7,869	6,686
Brownmead Academy	1,304	305	90	156	1,855	1,500
Gossey Lane Academy	879	206	54	124	1,263	1,028
Tile Cross Academy	3,268	661	300	515	4,744	3,895
Topcliffe Primary School	1,711	305	79	179	2,274	1,932
Firs Primary School	1,429	338	97	157	2,021	1,514
Central services	298	1,602	288	3,139	5,327	7,910
ACADEMY TRUST	22,742	5,831	1,778	5,784	36,135	33,166

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

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £000's	Restricted funds 2022 £000's	Restricted fixed asset funds 2022 £000's	Total funds 2022 £000's
Tangible fixed assets	-	-	59,440	59,440
Current assets	1,067	10,263	1,246	12,576
Creditors due within one year	(17)	(7,632)	(254)	(7,903)
Creditors due in more than one year	-	(45)	-	(45)
Provisions for liabilities and charges	-	(13,869)	-	(13,869)
TOTAL	1,050	(11,283)	60,432	50,199

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £000's	Restricted funds 2021 £000's	Restricted fixed asset funds 2021 £000's	Total funds 2021 £000's
Tangible fixed assets	-	-	62,338	62,338
Current assets	1,046	5,090	556	6,692
Creditors due within one year	-	(3,678)	-	(3,678)
Creditors due in more than one year	-	(50)	-	(50)
Provisions for liabilities and charges	-	(33,438)	-	(33,438)
TOTAL	1,046	(32,076)	62,894	31,864

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

22. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £000's	2021 £000's
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(3,446)	(1,919)
ADJUSTMENTS FOR:		
Depreciation	3,540	3,119
Capital grants from DfE and other capital income	(1,107)	(688)
Interest receivable	(2)	(1)
Defined benefit pension scheme cost less contributions payable	1,649	360
Defined benefit pension scheme finance cost	565	440
Decrease/(increase) in debtors	282	(511)
Increase in creditors	4,203	453
Donated assets	-	(350)
NET CASH PROVIDED BY OPERATING ACTIVITIES	5,684	903

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2022 £000's	2021 £000's
Interest receivable	1	1
Purchase of tangible fixed assets	(642)	(1,249)
Disposal of tangible fixed assets	-	415
Donated assets	-	350
Capital grants from DfE Group	1,107	688
NET CASH PROVIDED BY INVESTING ACTIVITIES	466	205

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £000's	2021 £000's
Cash in hand and at bank	11,368	5,218

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

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £000's	Cash flows £000's	Repayment of ESFA loans £000's	At 31 August 2022 £000's
Cash at bank and in hand	5,218	6,150	-	11,368
Debt due within 1 year	-	-	(5)	(5)
Debt due after 1 year	(50)	-	5	(45)
	<u>5,168</u>	<u>6,150</u>	<u>-</u>	<u>11,318</u>

26. CAPITAL COMMITMENTS

	2022 £000	2021 £000
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>434</u>	<u>-</u>

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

27. PENSION COMMITMENTS

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

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

Contributions amounting to £1,231,000 were payable to the schemes at 31 August 2022 (2021: £410,900) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,442,000 (2021: £2,494,000).

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

(<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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27. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,394,000 (2021: £3,191,000), of which employer's contributions totalled £2,026,000 (2021: £2,821,000) and employees' contributions totalled £368,000 (2021: £370,000). The agreed contribution rates for future years are 17.7% - 22.3% per cent for employers and 5.5% - 8.5% per cent for employees.

As described in note 2.13 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2022	2021
	%	%
Rate of increase in salaries	4.05	3.90
Rate of increase for pension in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2022 £000's	At 31 August 2021 £000's
Equities	9,922	7,965
Gilts	-	1,081
Other bonds	3,110	801
Property	1,185	919
Cash	592	481
Other	-	1,830
TOTAL MARKET VALUE OF ASSETS	14,809	13,077

The actual return on scheme assets was £(444,000) (2021 - £1,739,000).

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

	2022 £000's	2021 £000's
Current service cost	(3,673)	(3,129)
Past service cost	-	(52)
Interest income	233	158
Interest cost	(798)	(597)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(4,238)	(3,620)

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

	2022 £000's	2021 £000's
AT 1 SEPTEMBER	46,515	37,228
Current service cost	3,673	3,129
Interest cost	798	597
Employee contributions	368	370
Actuarial (gains)/losses	(22,445)	5,423
Benefits paid	(231)	(284)
Past service costs	-	52
AT 31 AUGUST	28,678	46,515

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

27. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2022	2021
	£000's	£000's
AT 1 SEPTEMBER	13,077	8,432
Interest income	233	158
Actuarial (losses)/gains	(664)	1,581
Employer contributions	2,026	2,821
Employee contributions	368	370
Benefits paid	(231)	(284)
Administration fee	-	(1)
AT 31 AUGUST	14,809	13,077

28. OPERATING LEASE COMMITMENTS

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

	2022	2021
	£000's	£000's
Not later than 1 year	66	67
Later than 1 year and not later than 5 years	70	135
	136	202

29. MEMBERS' LIABILITY

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

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

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Malachi Specialist Family Support CIC, a company where M York, a former Trustee, is a fellow Director. M York resigned from the board of Trustees on 18 November 2020 therefore from this date onwards Malachi Specialist Family Support CIC are no longer a related company. In the prior year the Trust has made purchases of £26,800 from the company and at the 31 August 2021 an amount of £Nil was outstanding. In this period, there were no related party transactions and no amounts outstanding as at 31 August 2022.

31. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2022 the Academy Trust received £28,248 (2021: £31,344) and disbursed £30,693 (2021: £33,618) from the fund. An amount of £15,285 (2021: £17,559) was brought forward from the prior year and £12,841 (2021: £15,285) is included in other creditors relating to undistributed funds that is repayable to ESFA.