

Company Registration Number: 07975551 (England & Wales)

**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	E Abbott M Elton A Wright J Cooke
<b>Trustees</b>	P Munro, Chair <sup>1</sup> E Coates <sup>1</sup> C Gore <sup>1</sup> S Lamb G Swingler N Green <sup>1</sup> M Mitchley, Executive Headteacher (appointed 18 January 2021)
	<sup>1</sup> Finance Committee
<b>Company registered number</b>	07975551
<b>Company name</b>	Wigston Academies Trust
<b>Principal and registered office</b>	Station Road Wigston Magna Leicester LE18 2DU
<b>Company secretary</b>	S Allen
<b>Senior management team</b>	M Mitchley, Executive Headteacher and Accounting Officer M Wilson, Headteacher S Allen, Director of Finance and Operations
<b>Independent auditors</b>	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicestershire LE7 4UZ
<b>Bankers</b>	Lloyds Bank Plc 7 High Street Leicester Leicestershire LE1 9FS

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**WIGSTON ACADEMIES TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Wigston Academies Trust is a Multi Academy Trust comprising 2 schools, Wigston Academy (providing 11 to 16 education) and Wigston College (providing 16 to 19 education) with a pre school, Tiger Tots.

The Academy Trust has undergone considerable change in leadership since 2016 when a new Executive Headteacher was appointed. In September 2017 a full time substantive Headteacher was appointed to replace the interim Headteacher at the Academy. Both the Executive Headteacher and Headteacher are serving OFSTED Inspectors and both have a track record of school improvement. Under their leadership Wigston College went from special measures to an OFSTED rating of good and outcomes for students improved dramatically. The pre school was inspected by OFSTED in April 2018 and retained and enhanced its good rating. Wigston Academy was inspected in September 2018 and was judged as requiring improvement but with good leadership and management as well as good personal development, behaviour and welfare. Consequently, in the tenure of the CEO, each establishment has been inspected and leadership and management is judged good in all provisions. The Executive Headteacher has considerable experience as a Headteacher in other settings. The Trust has a deficit budget in 2018 and worked on a three year recovery plan with the ESFA. After two years the Trust was solvent and had a healthy carry forward. This pattern has continued.

The two schools that comprise the Academy Trust are for pupils aged 11 to 19 serving the catchment area of Wigston. Wigston Academy has a pupil capacity of 1,386 and had a roll of 1,320 in the school census on 1 October 2020. Wigston College has a pupil capacity of 920 and had a number on roll of 235 at the same date. Students at both schools have significantly higher levels of deprivation as well as significantly lower levels of prior attainment than national rates. The COVID-19 pandemic also disproportionately affected the community which was subject to longer and more stringent lockdowns than anywhere else in the county.

### **Structure, governance and management**

#### **• Constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The charitable company was incorporated as Abington Academy Trust on 5 March 2012. The school converted to academy status on 1 April 2012, when its operations, assets and liabilities were transferred to the academy from the governing body of the Foundation School, Abington High School. The charitable company changed its name to Wigston Academies Trust on 14 March 2015.

On 1 April 2015 the Academy became a Multi Academy Trust when Bushloe High School and Guthlaxton Academy Trust joined the Trust. On 1 September 2015, Abington Academy and Bushloe High School merged to become one school Wigston Academy, and Guthlaxton Academy changed its name to Wigston College. This reorganisation has had a very positive impact on the success of the Trust.

The governors act as the Trustees for the charitable activities of Wigston Academies Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Wigston Academies Trust.

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

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**WIGSTON ACADEMIES TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

● **Members' liability**

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

● **Trustees' indemnities**

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officer's indemnity element from the overall cost of the RPA scheme.

● **Method of recruitment and appointment or election of Trustees**

Trustees are appointed by Members via recommendation from the Board of Trustees. The Board of Trustees seek to recommend Trustees who have the relevant background and experience to complement the skill set of existing Trustees. Parents are eligible to become Trustees but members of staff are not, except for the Executive Headteacher who is the Chief Executive Officer.

● **Policies adopted for the induction and training of Trustees**

We expect all Trustees and Governors to undertake training as appropriate to their work at the Academy Trust. New Trustees and Governors will be provided with an induction programme as required. A record is kept of all Trustee and Governor training and is reviewed on a regular basis.

● **Organisational structure**

The Trustees, who are responsible for the overall management and control of the Academy Trust meet at least half termly each year.

The Executive Headteacher is responsible for co-ordinating the work of the Trustees and their Committees, preparation of agendas, papers and review of matters arising. The Academy Trust Chief Operating Officer is responsible for the preparation of accounts.

All Trustees give of their time freely and no remuneration and no expenses were paid in the period in respect of their role as Trustees.

The Trustees determine the general policy of the school. The day to day running is delegated to the Executive Headteacher and the Head of School, supported by senior staff. The Executive Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative function in consultation with senior staff. The day to day administration is undertaken within the policies and procedures approved by the Trustees which provide for only significant expenditure decisions and major capital projects to be referred to Trustees for prior approval.

The Executive Headteacher oversees the recruitment of all staff. The Executive Headteacher is, Principal and Accounting Officer and attends all meetings. The Chief Operating Officer attends the Trustee meetings and any other meetings as appropriate.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

● **Arrangements for setting pay and remuneration of key management personnel**

At Wigston Academies Trust we follow the National Teachers Pay and Conditions for teachers pay and set pay increases as agreed through national pay deals and incremental increases following successful performance review meetings. For support staff we follow Leicestershire local government pay scales and implemented locally agreed pay increases.

● **Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	1

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	-
1%-50%	1
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

	<b>£</b>	
Total cost of facility time	<b>1,751</b>	
Total pay bill	<b>7,935,710</b>	
Percentage of total pay bill spent on facility time	-	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	<b>2</b>	%
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● **Connected organisations, including related party relationships**

The Executive Headteacher is a member of a number of professional associations which enables the school to engage on a local and national level in current educational matters. Additionally, the Executive Headteacher and other members of the school staff share their expertise, knowledge and experience with many schools. The Trust is a strategic lead partner in Thomas Estley Learning Alliance (TELA).

The school has two connected charities, Abington High School Charitable Trust and Guthlaxton Community College Wigston (charity registration number 527854). Both were established to enable disadvantaged children to have the same opportunities as their peers, e.g. to take part in visits and to provide suitable help towards uniforms and clothing as necessary. These funds are under the control of the Academy Trust. The funds held by the two connected charities have been included in the results in the Financial Statements.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Objectives and activities**

● **Objects and aims**

Wigston Academies Trust object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

● **Objectives, strategies and activities**

The purpose of the Academy Trust is to be a learning community where young people and adults share the search for knowledge, truth and pursuit of excellence. Our vision is to deliver outstanding learning to all students. Our belief, as communicated to the pupils, is that we can all “Strive to Succeed” and we belong to one community.

Our aims are the same for all children. Within a happy, caring and disciplined framework, and with the co-operation of parents, we strive to ensure that all children:

- achieve the highest academic standards of which they are capable.
- develop good social and working relationships in school and also in the wider community.
- develop a reasoned and acceptable set of social, moral and spiritual values, and behave in a way which does not conflict with these values.
- acquire personal qualities which will help bring them success and happiness.
- develop positive attitudes towards their physical wellbeing.

To achieve these aims, we strive to ensure that:

- our curriculum is carefully planned and organised, so that all teaching staff meet the requirements of school wide policies as well as the requirements of their particular subjects.
- our policies and procedures, both inside and outside the classroom, are consistent with the successful promotion of our aspirations for our children.
- we maintain a wide range of extracurricular activities, through which children can develop their personal interests and aptitudes.
- the needs of each individual child are known, and that appropriate provision for those needs are available.

Wigston Academies Trust is committed to serving the local community; within this partnership, we aim to provide high quality education in a safe, caring and happy environment, where everyone is valued.

We endeavour to provide enrichment experiences and opportunities which encourage children to achieve their full potential; to become confident, responsible, independent and well educated individuals able to fulfil positive roles in society.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Objectives and activities (continued)**

Our Objectives for the period included:

1. Achievement and Standards.

- at Key Stage 3, 4 and 5.
- Curriculum Organisation – the new National Curriculum.
- KS3 – 4 Pathways for students.
- Teaching and Learning (AfL, tracking, target setting, profiling).
- Learning Reviews – Teaching and Learning groups/Performance Management.
- Intervention and Support (target groups to overcome barriers to learning, support provision 'Closing the gaps').
- Pastoral Support systems/programmes.

Mentoring and Coaching (One to One Tuition and target groups – support programmes, parental intervention).

“How do children learn?”

Ensure that the following initiatives from Phase 3 of the Improvement Plan, are fully embedded into school practice.

- Learning Reviews.
- Sharing best practice.
- Teacher assessment and the use of data – targeted intervention.
- Teacher and support staff roles remodelling.

2. Personal Development and wellbeing – extending participation, health education, PSHCE review, review of trips and visits/home study, community engagement, attendance, School Council.

3. Quality of Provision – extend partnership working (LSL and Nct I – wider community), Campus Reorganisation (transition, KS4 performance, teacher exchanges, curriculum/timetable revision). Primary Schools. LA – Enhanced Resource Provision – Teaching Schools.

4. Leadership and Management – Capital Works/resources, Sharing Best Practice, monitoring and evaluation procedures (CASEF), Performance Management, Campus Reorganisation, Sponsored Academies, Locality Partnerships.

5. Views of Stakeholders.

Transition KS3 to 4, School Council, Home School initiatives, Admissions, Reorganisation Consultation.

COVID-19 has had an unprecedented impact on the Trust and both its schools. The Government closed all schools again in January 2021 to all students except the vulnerable and those whose parents were key workers. Our schools remained open for these groups, even opening on each of the Bank Holidays. Learning switched again to remote learning and additionally every single child in the Trust had direct communication (through phone call, TEAMS, or such like, or home visit) at least twice times during the closure period. For our most vulnerable children we contacted them as above weekly. During the first lockdown in March 2020 we made sure that students without IT equipment were given access to it and we were given 23 laptops as per the Government scheme. During the past 18 months the Trust implemented a robust health and safety risk assessment based on the Local Authority template and agreed with Trade Unions externally and in house. Whilst we believe that our safeguarding continued and continues to be effective, there was a detrimental impact to our students' education socially and academically.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Objectives and activities (continued)**

● **Public benefit**

Wigston Academies Trust is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**Strategic report**

**Achievements and performance**

● **Key performance indicators**

**KS4 Overview Analysis**

**Wigston Academy – Results 2021 (Unvalidated)**

All grades are based on centre assessed grades as a result of the cancellation of the 2021 exam season due to COVID-19. The Trust's process was robust and contained several layers of quality assurance. It was agreed by Trustees in March 2021. Government league tables have been suspended, consequently there is no contextual data available for 2020 and 2021.

**Key Stage 4 outcome headlines in historical context**

Academy											
Headline Figures (with comparison to previous results)											
	2018		2019		2020		2021		Comparison 2021 v 2019	Comparison 2021 v 2020	WAT 4 yr Trend
	WAT	Nat.	WAT	Nat.	WAT	Nat.	WAT	Nat.			
Average Point Score (APS)	3.55	4.66	3.65	4.68	4.14		4.27		0.62	0.13	
Progress 8	-0.62	-0.20	-0.46	-0.03	0.16		-0.29		0.17	-0.45	
Attainment 8	35.50	46.50	36.54	46.82	41.36		42.69		6.15	1.33	
% EBacc Grade 5	7.9	16.8	7.0	17.2	6.9		8.3		1.3	1.4	

**\* 2021 Progress 8**

This figure is based on the SISRA Data Collaboration, using data collected from 1213 participating schools

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Strategic report (continued)**

**Achievements and performance (continued)**

**Key Stage 5 outcome headlines in historical context**

General Information															
Headline Figures (with comparison to previous results)															
Ave Points per Entry and Average Grade	2018			2019			2020			2021			Comparison 2021 v 2019	Comparison 2021 v 2020	WC 4 yr Trend
	WC (cohort)	WC	National	WAT (cohort)	WC	National	WAT (cohort)	WC	National	WAT (cohort)	WC	National			
L3 Overall	(107)	22.6 (D+)	31.0 (C)	(100)	27.7 (C-)	31.9 (C+)	(101)	33.2 (C+)		(91)	37.1 (B-)		9.4	3.91	
Academic	(107)	22.6 (D+)	31.0 (C)	(97)	27.8 (C-)	31.9 (C+)	(97)	35.0 (C+)		(84)	38.3 (B-)		10.5	3.38	
A'level	(107)	22.5 (D+)	30.8 (C)	(97)	28.0 (C-)	31.9 (C+)	(96)	35.2 (B-)		(84)	38.4 (B)		10.4	3.19	
Applied General	(6)	23.3 (M)	30.9 (D-)	(22)	24.8 (M)	30.6 (D-)	(32)	23.4 (M+)		(39)	31.7 (D-)		6.9	8.27	

● **Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Despite the global COVID-19 pandemic which was ongoing at the balance sheet date and subsequently, there are no material uncertainties over the Academy Trust's ability to continue as a going concern. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Financial review**

● **Financial review**

The Academy Trust had a net increase in funds for the year ended 31 August 2021 of £53,929 including fixed asset movements but excluding pension reserve movements. As at 31 August 2021 the Academy Trust held £590,334 of unrestricted reserves and £531,937 of unspent (non fixed asset) restricted funds. The Academy Trust therefore has a surplus of unrestricted and non fixed asset restricted funds, being its available reserves of £1,122,271.

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £8,467,000 at 31 August 2021 and a fixed asset reserve of £25,774,296 (being the book value of past purchases £25,701,951 plus £72,345 of unspent capital grants).

Over the past three years the Trust has reported a deficit, however The Executive Headteacher and Trustees have worked vigorously on a recovery plan to reduce the overall deficit and will continue to work to restore the reserves to target. Despite this and the global COVID-19 pandemic, there are no other significant factors going forward that are expected to impact on the normal continuing operation of the Academy Trust, as core funding from both the Government and Local Authorities is currently expected to continue. The principle financial management policies adopted in the period are included in the Academy Trust's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the Academy Trust are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Academy Trust's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

● **Reserves policy**

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy Trust needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately one month's expenditure of the annual budget, being approximately £841,000. The Trustees have considered the impact of COVID-19 and consider there is no effect on the target reserves policy.

Actual free reserves plus unspent GAG as at 31 August 2021 were £835,093, being relatively in line with the target level set by Trustees. Excluded from this figure are designated reserves of £175,000 towards the eventual replacement of the All Weather Pitch and other available restricted funds amounting to £112,178. The current level of free reserves is considered appropriate for the Trust at this stage. Cash at bank at 31 August 2021 was £384,502 higher than total available reserves due principally to unspent capital funds, and other accruals timing adjustments.

At 31 August 2021 the Academy Trust's fixed asset reserve of £25,774,296 represented £25,701,951 of funds which could only be realised if the assets were sold, plus £72,345 of unspent capital grants.

At the year end was a deficit the pension reserve (deficit of £8,467,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

● **Investment policy**

The Academy Trust regularly monitors the current/fund account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments. Any surplus funds will be invested in a deposit account bearing a higher rate of interest. A periodic review of interest rates will be carried out and compared with other investment opportunities. The school's current policy is to only invest funds in risk free deposit accounts. Any change of policy requires approval of Trustees via the Finance Committee.

● **Principal risks and uncertainties**

The Academy Trust has a Risk Management Policy and Risk Register which aim to identify, assess and evaluate the risks which the Academy Trust faces and to put procedures in place which aim to reduce that risk. The register is reviewed and updated as necessary.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those related to the operations and finances of the Academy Trust and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Trustees are responsible for the overseeing of the risks faced by the Academy Trust. Detailed consideration of risk are delegated to the Senior Leadership and Management Team of the Academy Trust. Risks are identified, assessed and controls established throughout the period. A formal review of the Academy's risk management process is undertaken on an ongoing basis throughout the year. Risk Management covers areas such as Financial Sustainability, Health and Safety and Student Welfare.

Through the risk management processes established for the Academy Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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provide reasonable but not absolute assurance that major risks have been adequately managed.

At 31 August 2021 the pension deficit on the Local Government Pension Scheme stood at £8,467,000 for the 2 schools (31 August 2020 - £6,764,000). The Academy Trust has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contribution rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years.

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.

### **Fundraising**

Fundraising has been limited to small events held to raise funds for external charities, such as non-uniform days. These funds are paid across in full to the nominated charities.

COVID-19 has severely limited the Trust's fundraising abilities in terms of these charities. It has also had a profound effect on our income generation. From January, March and beyond, income from the canteens, our Tiger Tots pre school, our lettings and from our sports division was sharply reduced.

### **Plans for future periods**

The Trustees intend to continue their current strategies of maintaining the Trust's position in a competitive market by aiming to provide outstanding education for all students. Achieving high standards of academic results is a constant aim whilst maintaining breadth and depth of wider education to develop the whole person. Trustees are resolute that there should be a culture of safeguarding in the Trust's schools. Trustees are also resolute that the Academy Trust's settings will be judged good at their next OFSTED inspection.

The Executive Headteacher and senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our students' development. Our future plans are financed from income direct from the DfE, related to student numbers and other lump sum factors. Trustees will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students. Future plans also include partnership working both locally and nationally. We have a planned programme of maintenance and investment for the Trust site. Each year we invest heavily in computer equipment and infrastructure to ensure our students and staff have the best school environment we can provide.

Plans for safeguarding the Sixth Form in terms of its future for the community are ongoing and there has been a healthy increase in the number of external applications. The Trust has also established a behaviour unit to meet the needs of its most vulnerable and hard to reach pupils using premises acquired on site during its academisation. There is an ultimate desire to turn this into a revenue generating and OFSTED recognised centre for behaviour modification commercially in the county. The Trust also has a pre school and is trying to increase its size which is also being done using premises acquired during academisation.

The Trust is urgently looking at provision for lettings, the pre school and the sports division to see how it can mitigate the negative effect of COVID-19 on income.

In terms of student performance, Trust leaders have been enhancing mental health education provision and planning for exploiting the catch-up premium for students in in 2020–2021 to mitigate the negative impact that COVID-19 has had on their education.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Funds held as custodian on behalf of others**

At 31 August 2021 the Acadmey Trust was holding £14,492 on behalf of the Combined Cadet Force Association in connection with establishing a Marine Society and Sea Cadets (MSSC) unit. The Academy Trust does not hold any other such funds on behalf of any other organisations. Transactions and balances relating to the controlled charities referred to on page 4 and note 29 to the financial statements are incorporated in the financial statements.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

**Auditors**

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2021 and signed on its behalf by:

**P Munro**  
Chair of Trustees

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**WIGSTON ACADEMIES TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Wigston Academies 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

**Governance**

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

The Board of Trustees has formally met 6 times during the year. Due to COVID-19, these meetings have been a mixture of virtual and in person sessions but the Board as well as members and governors have continued to discharge their functions during the pandemic.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
P Munro, Chair	6	6
E Coates	5	6
C Gore	6	6
S Lamb	6	6
G Swingler	6	6
N Green	6	6
M Mitchley, Executive Headteacher	6	6

The Trust Board is responsible for all aspects of its schools' performance. However, it delegates the evaluation of outcomes of the school's work to one single local governing body across the Trust (i.e. for both schools). This is true for all aspects of the school's performance except finance and staffing which remain the concern of the Board of Trustees. The Board of Trustees regularly carries out skills audits of its members and has a good and broad skills base including financial and legal expertise and expertise in local government. New arrangements put in place by the Executive Headteacher have strengthened the Local Governing Body (LGB) accountability and in turn the accountability of staff to the LGB. The Board sends Trustee observers to each LGB and LGB committee meeting and the Executive Headteacher, attends every LGB meeting. Trustees scrutinise through LGB meetings reports from an external advisor who is a serving OFSTED Inspector and former Headteacher.

The Academy Trust conducts a self-evaluation review or an external review annually. The next review is due in the year ended August 2022. The 2018 Academy Trust inspection rated governance '... a strength'.

The Finance, Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy Trust's finances and resources.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Munro, Chair	7	7
E Coates	7	7
C Gore	7	7
N Green	7	7
M Mitchley, Executive Headteacher	7	7

**Review of value for money**

As Accounting Officer, the Executive Headteacher 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:

- planning efficiently, effectively and economically the resources available to meet the needs of all the pupils achieving high quality outcomes.
- the Trust's accommodation and site are maintained to a high standard.
- the views of the parents and pupils are sought and responded to in relation to the suitability availability or resources. Resources and equipment are well cared for.
- staff development is well organised and CPD is planned to support the needs of staff and children.
- specific funding is identified and deployed appropriately e.g. SEND funding/pupil premium.

**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 Wigston Academies Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Leicestershire County Council.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliations

On an annual basis, the reviewer reports to the Board of Trustees through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities.

The latest internal audit visit by Leicestershire County Council was in November 2020. Reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities are done via the Finance, Audit and Risk Committee on a ten weekly basis. The responsible officers' role is undertaken by the Internal Auditors with the responsible officer function being fully delivered in line with the ESFA's requirements. There were no material control issues as a result of the Internal Auditors work during the year.

The Trust Finance, Audit and Risk committee agreed that for the financial year 2020/21 an interim internal scrutiny review would be carried out by the appointment of a non-employed trustee. A further internal audit was agreed for the Spring/Summer Term by Leicestershire County Council Audit Services for scrutiny of 2021/22 financial year to ensure the Trust reverts to a pattern of timely internal scrutiny after the previous years disruption due to COVID-19.

This financial health check supports other risk assurance work considered by the Trust during 2020/21 including Risk Registers and Safeguarding Audits.

A "health check" appraisal focusing on certain key financial controls. This review of internal controls and posting accuracy has been undertaken to provide the Board of Trustees with assurance of the Academy Trust's financial controls.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

As accounting officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the reviewer;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on their behalf by:

**P Munro**  
Chair of Trustees

**M Mitchley**  
Accounting Officer

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Wigston Academies 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 Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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

**M Mitchley**  
Accounting Officer

Date: 6 December 2021

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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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 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on its behalf by:

**P Munro**  
Chair of Trustees

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WIGSTON ACADEMIES TRUST**

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**Opinion**

We have audited the financial statements of Wigston Academies Trust (the 'academy trust') for the year ended 31 August 2021 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', and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WIGSTON ACADEMIES TRUST (CONTINUED)**

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**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.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WIGSTON ACADEMIES TRUST (CONTINUED)**

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**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:

Based on our understanding of the Academy Trust and the industry, we have identified that the principal risks of non-compliance with laws and regulations related to UK Tax and legislation and breaches of the Academy's funding agreement with the Secretary of State for Education, the Academies Financial Handbook, and we have considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the, Companies Act 2006 and the Charities SORP. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in their accounting estimates, in particular in relation to accruals provisions;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and journal entries with specific defined descriptions.

There are inherent limitations in the audit procedures described above. The more 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. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by forgery or intentional misrepresentation, for example, or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WIGSTON ACADEMIES TRUST (CONTINUED)**

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**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.

**Luke Turner ACA FCCA (Senior Statutory Auditor)**

for and on behalf of

**Magma Audit LLP**

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

System Road

Cossington

Leicestershire

LE7 4UZ

Date: 9 December 2021

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WIGSTON  
ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 20 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wigston Academies Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Wigston Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Wigston Academies Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

The work undertaken to draw our conclusions includes:

- On a sample basis testing transactions and balances;
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion;
- On a sample basis reviewing records for evidence of those systems and controls in operation.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WIGSTON  
ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Reporting Accountant**  
**Magma Audit LLP**  
Chartered Accountants  
Unit 2, Charnwood Edge Business Park  
System Road  
Cossington  
Leicestershire  
LE7 4UZ

Date: 9 December 2021

**WIGSTON ACADEMIES TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	-	-	99,074	99,074	204,624
Charitable activities	4	-	9,573,063	-	9,573,063	9,027,674
Other trading activities	5	208,351	-	-	208,351	183,423
Investments	6	144	1,479	-	1,623	2,348
<b>Total income</b>		<b>208,495</b>	<b>9,574,542</b>	<b>99,074</b>	<b>9,882,111</b>	<b>9,418,069</b>
<b>Expenditure on:</b>						
Raising funds		196,049	-	-	196,049	154,346
Charitable activities		-	9,186,185	937,472	10,123,657	10,093,831
<b>Total expenditure</b>	7	<b>196,049</b>	<b>9,186,185</b>	<b>937,472</b>	<b>10,319,706</b>	<b>10,248,177</b>
<b>Net income/ (expenditure) before net gains on investments</b>		<b>12,446</b>	<b>388,357</b>	<b>(838,398)</b>	<b>(437,595)</b>	<b>(830,108)</b>
Net gains on investments		-	8,524	-	8,524	1,500
<b>Net income/ (expenditure)</b>		<b>12,446</b>	<b>396,881</b>	<b>(838,398)</b>	<b>(429,071)</b>	<b>(828,608)</b>
Transfers between funds	18	(4,765)	(4,755)	9,520	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>7,681</b>	<b>392,126</b>	<b>(828,878)</b>	<b>(429,071)</b>	<b>(828,608)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(1,220,000)	-	(1,220,000)	508,000
<b>Net movement in funds</b>		<b>7,681</b>	<b>(827,874)</b>	<b>(828,878)</b>	<b>(1,649,071)</b>	<b>(320,608)</b>

**WIGSTON ACADEMIES TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

<b>Note</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	<b>582,653</b>	<b>(7,107,189)</b>	<b>26,603,174</b>	<b>20,078,638</b>	<i>20,399,246</i>
Net movement in funds	<b>7,681</b>	<b>(827,874)</b>	<b>(828,878)</b>	<b>(1,649,071)</b>	<i>(320,608)</i>
<b>Total funds carried forward</b>	<b>590,334</b>	<b>(7,935,063)</b>	<b>25,774,296</b>	<b>18,429,567</b>	<i>20,078,638</i>

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

The notes on pages 29 to 62 form part of these financial statements.

**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07975551**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	25,701,951	26,544,273
Investments	15	56,904	48,380
		<u>25,758,855</u>	<u>26,592,653</u>
<b>Current assets</b>			
Debtors	16	163,233	253,104
Cash at bank and in hand		1,506,773	556,893
		<u>1,670,006</u>	<u>809,997</u>
Creditors: amounts falling due within one year	17	(532,294)	(560,012)
<b>Net current assets / liabilities</b>		<u>1,137,712</u>	<u>249,985</u>
<b>Total assets less current liabilities</b>		<u>26,896,567</u>	<u>26,842,638</u>
<b>Net assets excluding pension liability</b>		<u>26,896,567</u>	<u>26,842,638</u>
Defined benefit pension scheme liability	26	(8,467,000)	(6,764,000)
<b>Total net assets</b>		<u><u>18,429,567</u></u>	<u><u>20,078,638</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset fund	18	25,774,296	26,603,174
Restricted income fund	18	531,937	(343,189)
		<u>26,306,233</u>	<u>26,259,985</u>
Restricted funds excluding pension liability	18	26,306,233	26,259,985
Pension reserve	18	(8,467,000)	(6,764,000)
<b>Total restricted funds</b>	18	<u>17,839,233</u>	<u>19,495,985</u>
<b>Unrestricted income funds</b>	18	<u>590,334</u>	<u>582,653</u>
<b>Total funds</b>		<u><u>18,429,567</u></u>	<u><u>20,078,638</u></u>

The financial statements on pages 24 to 62 were approved by the Trustees, and authorised for issue on 06 December 2021 and are signed on their behalf, by:

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07975551**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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**P Munro**  
Chair of Trustees

The notes on pages 29 to 62 form part of these financial statements.

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021</b> £	<i>2020</i> £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>999,303</b>	296,439
<b>Cash flows from investing activities</b>	22	<b>5,547</b>	(32,825)
<b>Cash flows from financing activities</b>	21	<b>(54,970)</b>	(25,642)
<b>Change in cash and cash equivalents in the year</b>		<b>949,880</b>	237,972
Cash and cash equivalents at the beginning of the year		<b>556,893</b>	318,921
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u><b>1,506,773</b></u>	<u>556,893</u>

The notes on pages 29 to 62 form part of these financial statements

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**WIGSTON ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

**1.1 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Wigston Academies Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Despite the global pandemic which was ongoing at the balance sheet date and subsequently, there are no material uncertainties over the Academy Trust's ability to continue as a going concern. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 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.

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**WIGSTON ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **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.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

**1.4 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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.6 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.

**1.7 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates to write off the cost of these fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- 3% and 2% Straight line
Freehold land	- Not depreciated
Leasehold land (125 year lease)	- Over 125 years
Leasehold buildings	- 4% Straight line
Fixtures, fittings and equipment	- 15% Straight line
Computer equipment	- 25% 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.

**1.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.9 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.

**1.10 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.

**1.11 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.

**1.12 Provisions**

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

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

**1.13 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 note 17. 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.

**1.14 Operating leases**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.15 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.

**1.16 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Transfers between funds and between categories of funds i.e. restricted, designated and unrestricted funds are not only processed with due regard to grant terms, agreement of funders (where applicable) and due process where formal Trustees' resolutions are required, Full disclosures are given in the notes to the accounts for any transfers processed.

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Critical accounting estimates and areas of judgment**

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

The 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.

**Defined benefit pension scheme**

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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and note 1.7 for the useful economic lives for each class of assets.

**3. Income from donations and capital grants**

	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Capital grants	99,074	<b>99,074</b>	204,624
<i>Total 2020</i>	<i>204,624</i>	<i>204,624</i>	

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**4. Funding for the Academy Trust's educational operations**

	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	8,049,788	<b>8,049,788</b>	7,563,975
Other DfE/ESFA grants			
Teachers pay and pension	443,417	<b>443,417</b>	447,135
Pupil premium	314,012	<b>314,012</b>	306,391
Other	78,643	<b>78,643</b>	119,135
	<u>8,885,860</u>	<u><b>8,885,860</b></u>	<u>8,436,636</u>
<b>Other Government grants</b>			
Local authority grants	369,816	<b>369,816</b>	361,169
	<u>369,816</u>	<u><b>369,816</b></u>	<u>361,169</u>
<b>Other income from the Academy Trust's educational operations</b>	133,703	<b>133,703</b>	198,460
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up premium	107,360	<b>107,360</b>	-
Other DfE/ESFA COVID-19 funding	19,382	<b>19,382</b>	31,409
	<u>126,742</u>	<u><b>126,742</b></u>	<u>31,409</u>
<b>COVID-19 additional funding (non-DfE/ESFA)</b>			
Coronavirus Job Retention Scheme (CJRS) grant	10,203	<b>10,203</b>	-
Other COVID-19 funding	46,739	<b>46,739</b>	-
	<u>56,942</u>	<u><b>56,942</b></u>	<u>-</u>
	<u>9,573,063</u>	<u><b>9,573,063</b></u>	<u>9,027,674</u>
<i>Total 2020</i>	<u>9,027,674</u>	<u>9,027,674</u>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Academy Trust's funding for Teachers' pay and pension, and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Trust furloughed some of its lettings and facilities staff under the government's CJRS. The funding received of £10,203 relates to staff costs in respect of 11 staff which are included within note 10 below.

The Trust received £107,360 of funding for catch-up premium and costs incurred in respect of this funding totalled £81427, with the remaining £25,933 to be spent in 2021/22.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Hire of facilities	52,827	<b>52,827</b>	71,460
Bar income	365	<b>365</b>	2,707
Headteacher consultancy fees	8,466	<b>8,466</b>	6,347
Tiger Tots income	98,424	<b>98,424</b>	102,909
Other income	48,269	<b>48,269</b>	-
<b>Total 2021</b>	<u>208,351</u>	<u><b>208,351</b></u>	<u>183,423</u>
<i>Total 2020</i>	<u>183,423</u>	<u>183,423</u>	

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Dividends received	-	1,479	<b>1,479</b>	1,820
Bank interest received	144	-	<b>144</b>	528
<b>Total 2021</b>	<u>144</u>	<u>1,479</u>	<u><b>1,623</b></u>	<u>2,348</u>
<i>Total 2020</i>	<u>461</u>	<u>1,887</u>	<u>2,348</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**7. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	<i>Total 2020 £</i>
Expenditure on raising funds:					
Direct costs	8,466	-	-	<b>8,466</b>	4,690
Allocated support costs	179,526	-	8,057	<b>187,583</b>	149,656
Educational Operations:					
Direct costs	6,495,020	703,104	527,125	<b>7,725,249</b>	7,700,939
Allocated support costs	1,295,809	559,737	542,862	<b>2,398,408</b>	2,392,892
<b>Total 2021</b>	<u>7,978,821</u>	<u>1,262,841</u>	<u>1,078,044</u>	<u><b>10,319,706</b></u>	<u>10,248,177</u>
<i>Total 2020</i>	<u>7,934,906</u>	<u>1,233,382</u>	<u>1,079,889</u>	<u>10,248,177</u>	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Educational Operations	<u>7,725,249</u>	<u>2,398,408</u>	<u><b>10,123,657</b></u>	<u>10,093,831</u>
<i>Total 2020</i>	<u>7,700,939</u>	<u>2,392,892</u>	<u>10,093,831</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
LGPS pension interest cost (£255,000) less return on assets (£137,000)	<b>118,000</b>	<i>125,000</i>
Staff costs	<b>6,451,909</b>	<i>6,391,033</i>
Educational supplies	<b>128,878</b>	<i>120,990</i>
Examination fees	<b>83,927</b>	<i>120,351</i>
Staff development	<b>7,334</b>	<i>11,808</i>
Educational consultancy	<b>180,822</b>	<i>149,191</i>
Other direct costs	<b>43,111</b>	<i>93,057</i>
Depreciation	<b>703,104</b>	<i>687,766</i>
Technology costs	<b>8,164</b>	<i>1,743</i>
	<b><u>7,725,249</u></b>	<i><u>7,700,939</u></i>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Staff costs	<b>1,295,809</b>	1,312,704
Recruitment	<b>1,700</b>	3,804
Maintenance of premises and equipment	<b>99,823</b>	111,023
Cleaning	<b>41,857</b>	24,300
Rent and rates	<b>134,115</b>	121,266
Insurance	<b>49,575</b>	59,772
Depreciation	<b>234,368</b>	229,256
Catering	<b>91,021</b>	114,735
Bank interest and charges	<b>3,017</b>	6,283
Other support costs	<b>134,469</b>	127,068
Security and transport	<b>43,406</b>	39,035
Technology costs	<b>65,458</b>	42,478
Energy costs	<b>186,371</b>	181,956
Governance	<b>17,419</b>	19,212
	<b><u>2,398,408</u></b>	<u>2,392,892</u>

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<i>2020 £</i>
Operating lease rentals	<b>6,856</b>	5,142
Depreciation of tangible fixed assets	<b>937,472</b>	917,022
Fees paid to auditors for:		
- audit	<b>15,450</b>	15,000
- other services	<b>1,945</b>	1,450
	<b><u>1,001,623</u></b>	<u>938,614</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,702,251	5,601,272
Social security costs	542,347	519,134
Pension costs	1,691,112	1,721,501
	<u>7,935,710</u>	<u>7,841,907</u>
Agency staff costs	43,111	92,999
	<u><u>7,978,821</u></u>	<u><u>7,934,906</u></u>

**b. Staff numbers**

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

	2021 No.	2020 No.
Teachers	89	94
Administration and support	146	122
Management	3	3
	<u>238</u>	<u>219</u>

**c. Higher paid staff**

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	4	4
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u><u>1</u></u>	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**10. Staff (continued)**

**d. 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 £380,316 (2020 - £350,229).

**11. Central services**

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

- human resources
- financial services
- educational support services
- others as arising

The Academy Trust charges for these services on the following basis:

5% of GAG funding

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Wigston Academy	356,527	332,900
Wigston College	45,962	45,298
<b>Total</b>	<b>402,489</b>	<b>378,198</b>

**12. Trustees' and Executive Headteacher remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

The value of the Executive Headteacher and Trustees' remuneration and other benefits were as follows:

M Mitchley (Headteacher and Trustee)

Remuneration £120,000 - £125,000 (2020: £110,000 - £115,000)

Employer's pension contributions £25,000 - £30,000 (2020: £15,000 - £20,000)

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**13. Trustees' and Officers' insurance**

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**14. Tangible fixed assets**

	Freehold land and buildings £	Leasehold land and buildings £	Furniture, fittings and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2020	20,649,819	10,193,877	602,692	351,151	31,797,539
Additions	-	7,366	12,670	75,114	95,150
At 31 August 2021	<u>20,649,819</u>	<u>10,201,243</u>	<u>615,362</u>	<u>426,265</u>	<u>31,892,689</u>
<b>Depreciation</b>					
At 1 September 2020	2,891,400	1,596,414	480,988	284,464	5,253,266
Charge for the year	478,393	357,763	65,211	36,105	937,472
At 31 August 2021	<u>3,369,793</u>	<u>1,954,177</u>	<u>546,199</u>	<u>320,569</u>	<u>6,190,738</u>
<b>Net book value</b>					
At 31 August 2021	<u><u>17,280,026</u></u>	<u><u>8,247,066</u></u>	<u><u>69,163</u></u>	<u><u>105,696</u></u>	<u><u>25,701,951</u></u>
At 31 August 2020	<u><u>17,758,419</u></u>	<u><u>8,597,463</u></u>	<u><u>121,704</u></u>	<u><u>66,687</u></u>	<u><u>26,544,273</u></u>

See note 1.3 regarding assets transferred on conversion.

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**15. Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 September 2020	<b>48,380</b>
Revaluations	<b>8,524</b>
At 31 August 2021	<u><b>56,904</b></u>

**16. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Trade debtors	<b>56,622</b>	<b>20,507</b>
VAT recoverable	<b>15,555</b>	<b>27,969</b>
Prepayments and accrued income	<b>91,056</b>	<b>204,628</b>
	<u><b>163,233</b></u>	<u><b>253,104</b></u>

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**17. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	£	£
Other loans	-	54,970
Trade creditors	<b>63,159</b>	34,217
Other taxation and social security	<b>128,879</b>	119,403
Other creditors	<b>152,916</b>	158,249
Accruals and deferred income	<b>187,340</b>	193,173
	<b>532,294</b>	<b>560,012</b>
	<b>532,294</b>	<b>560,012</b>
	<b>2021</b>	<b>2020</b>
	£	£
Deferred income at 1 September 2020	<b>56,922</b>	120,125
Resources deferred during the year	<b>121,417</b>	56,922
Amounts released from previous periods	<b>(56,922)</b>	(120,125)
	<b>121,417</b>	<b>56,922</b>
	<b>121,417</b>	<b>56,922</b>

Included within deferred income are amounts received in advance for rates income for the year to 31 March 2022 of £45,875, CIF income received in advance of the projects starting £51,009, Tiger Tots income received in advance of the Autumn term £21,100, and University of Leicester additional resource funding of £3,433.

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**18. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
All weather pitch	175,000	-	-	-	-	175,000
<b>General funds</b>						
General funds	407,653	208,495	(196,049)	(4,765)	-	415,334
<b>Total Unrestricted funds</b>	<b>582,653</b>	<b>208,495</b>	<b>(196,049)</b>	<b>(4,765)</b>	<b>-</b>	<b>590,334</b>

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**18. Statement of funds (continued)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Restricted general funds</b>						
General Annual Grant (GAG)	(423,328)	8,049,788	(7,211,466)	4,765	-	419,759
Pupil Premium	-	314,012	(311,304)	-	-	2,708
Teachers' pay and pension grant	-	443,417	(443,417)	-	-	-
Other DfE/ESFA	-	78,643	(78,643)	-	-	-
Local authority grants	-	369,816	(369,816)	-	-	-
Other funding	500	133,703	(130,788)	-	-	3,415
Abington High School Trust Fund	6,514	-	-	-	-	6,514
Guthlaxton College Foundation Fund	63,605	1,479	-	-	8,524	73,608
COVID-19 additional funding (DfE/ESFA)	9,520	126,742	(100,809)	(9,520)	-	25,933
COVID-19 additional funding (non DfE/ESFA)	-	56,942	(56,942)	-	-	-
Pension reserve	(6,764,000)	-	(483,000)	-	(1,220,000)	(8,467,000)
	<b>(7,107,189)</b>	<b>9,574,542</b>	<b>(9,186,185)</b>	<b>(4,755)</b>	<b>(1,211,476)</b>	<b>(7,935,063)</b>

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**18. Statement of funds (continued)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	242,512	88,558	(41,262)	-	-	289,808
Transfer from Local Authority	20,636,617	-	(621,278)	-	-	20,015,339
Capital expenditure from GAG	639,927	-	(66,616)	9,520	-	582,831
Local Authority income	2,393,473	-	(76,174)	-	-	2,317,299
Local Authority donation	752,925	-	(51,589)	-	-	701,336
Condition Improvement Fund (CIF)	1,937,720	7,366	(80,513)	-	-	1,864,573
Other income	-	3,150	(40)	-	-	3,110
	<u>26,603,174</u>	<u>99,074</u>	<u>(937,472)</u>	<u>9,520</u>	<u>-</u>	<u>25,774,296</u>
<b>Total Restricted funds</b>	<u>19,495,985</u>	<u>9,673,616</u>	<u>(10,123,657)</u>	<u>4,765</u>	<u>(1,211,476)</u>	<u>17,839,233</u>
<b>Total funds</b>	<u>20,078,638</u>	<u>9,882,111</u>	<u>(10,319,706)</u>	<u>-</u>	<u>(1,211,476)</u>	<u>18,429,567</u>

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**18. Statement of funds (continued)**

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

**Designated Funds**

The All Weather Pitch designated funds represents the historic annual funds retained specifically for the future replacement of the pitch surface.

**Restricted Funds**

The General Annual Grant (GAG) relates to the school's development and operational activities. The transfer to GAG relates to an amount transferred from unrestricted funds to equalise the GAG.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. The closing balance relates to unspent funds at the year end.

The Teachers' pay and pension grant provides funding for school to support teachers' pay awards and the increase in employer pension contributions. All funds were fully spent during the year.

The other DfE/ESFA restricted grants consists of the rates funding. All funds were fully spent in the year.

Local Authority grants relates to Special Educational Needs funding and Looked After Pupil funding, which were both fully spent in the year.

Other funding includes catering income restricted by virtue of the statutory obligation to provide pupil meals linked to the school funding agreement. Also included in other funding are grants received from other organisations and includes various small grants from, Manchester Metropolitan University, Science Technology Engineering Mathematics Learning (STEM), University of Leicester, Thomas Estley Learning Alliance (TELA) and Kelloggs Breakfast Club. The balance carried forward at 31 August 2021 relates to an unspent School Council Grant of £500 and STEM funds of £2,915.

The Abington High School Trust and Guthlaxton College Foundation Fund (charity registration number 527854) are charities established to raise funds to enable disadvantaged children to have the same opportunities as their peers, e.g. to take part in visits and to provide suitable help towards uniforms and clothing as necessary. The closing balances of £6,514 and £73,608 respectively relate to unspent funds.

COVID-19 additional funding (DfE/ESFA) includes the COVID-19 catch up premium income received to support children and young people to catch up on missed learning caused by the COVID-19 pandemic. The closing balance relates to unspent funds to be carried forward to next year. Also included is exceptional government funding, a support grant claimed during the year to be used towards the increased premises related costs, support for FSM vouchers and additional cleaning costs during the Easter holidays incurred by the school as a result of the COVID-19 pandemic. All funds were spent during the year.

COVID-19 additional funding (non DfE/ESFA) includes COVID-19 Mass Testing income provided to cover additional costs as a result of the COVID-19 testing programme required in secondary schools. All funds were fully spent during the year. Finally the Trust claimed for funding under the Coronavirus Job Retention Scheme, for kitchen and facilities staff unable to carry out their work as a result of the COVID-19 pandemic. All funds were spent at the year end.

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**18. Statement of funds (continued)**

The pension reserve relates to the academy's share of the deficit of Leicestershire County Council's Local Government Pension Scheme.

**Restricted Fixed Asset Funds**

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of assets concerned plus unspent Devolved Formula Capital income of £62,400.

The transfer from Local Authority relates to the value of freehold and leasehold buildings and moveable assets transferred on conversion less depreciation charged to date. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The transfer to restricted funds is the schools contribution to the windows and roof projects which was not required at the end of the project.

The Local Authority income is from Leicestershire County Council being funding received for capital building works to be spent on joining two buildings at Wigston Academy. The closing balance relates to the net book value of assets concerned.

The Local Authority donation relates to refurbishment works carried out in classrooms at the Wigston College and the transfer of the lease of 121 years for Abington House, a building owned by the Local Authority which is on the school campus and used by the Tiger Tots Nursery. The closing balance relates to the net book value of these assets.

The Condition Improvement Fund (CIF) income in the year relates to funding received in relation to a successful window replacement bid at Wigston College. The closing balance relates to the net book value of the assets concerned plus an underspend of funds of £9,945 from roof phase II project.

Other income is from the Universal Music UK Sound Foundation to fund the cost of new Yamaha keyboards. The closing balance relates to the net book value of these assets.

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

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**18. Statement of funds (continued)**

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
All weather pitch	175,000	-	-	-	-	175,000
<b>General funds</b>						
General funds	399,655	183,884	(154,346)	(21,540)	-	407,653
<b>Total Unrestricted funds</b>	574,655	183,884	(154,346)	(21,540)	-	582,653

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	(855,213)	7,563,975	(7,153,630)	21,540	-	(423,328)
Pupil Premium	-	306,391	(306,391)	-	-	-
Teachers' pay and pension grant	-	447,135	(447,135)	-	-	-
Other DfE/ESFA	-	119,135	(119,135)	-	-	-
Local authority grants	-	361,169	(361,169)	-	-	-
Other funding	500	198,460	(198,460)	-	-	500
Abington High School Trust Fund	6,463	51	-	-	-	6,514
Guthlaxton College Foundation Fund	60,269	1,836	-	-	1,500	63,605
COVID-19 additional funding (non DfE/ESFA)	-	31,409	(21,889)	-	-	9,520
Pension reserve	(6,703,000)	-	(569,000)	-	508,000	(6,764,000)
	<u>(7,490,981)</u>	<u>9,029,561</u>	<u>(9,176,809)</u>	<u>21,540</u>	<u>509,500</u>	<u>(7,107,189)</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	229,841	34,848	(22,177)	-	-	242,512
Transfer from Local Authority	21,257,895	-	(621,278)	-	-	20,636,617
Capital expenditure from GAG	694,491	-	(54,564)	-	-	639,927
Local Authority income	2,469,647	-	(76,174)	-	-	2,393,473
Local Authority donation	805,064	-	(52,139)	-	-	752,925
Condition Improvement Fund (CIF)	1,858,634	169,776	(90,690)	-	-	1,937,720
	<u>27,315,572</u>	<u>204,624</u>	<u>(917,022)</u>	<u>-</u>	<u>-</u>	<u>26,603,174</u>
<b>Total Restricted funds</b>	<u>19,824,591</u>	<u>9,234,185</u>	<u>(10,093,831)</u>	<u>21,540</u>	<u>509,500</u>	<u>19,495,985</u>
<b>Total funds</b>	<u><u>20,399,246</u></u>	<u><u>9,418,069</u></u>	<u><u>(10,248,177)</u></u>	<u><u>-</u></u>	<u><u>509,500</u></u>	<u><u>20,078,638</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Wigston Academy	2,450,799	1,278,534
Wigston College	(1,343,165)	(1,066,267)
Central Services	14,637	27,197
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,122,271	239,464
Restricted fixed asset fund	25,774,296	26,603,174
Pension reserve	(8,467,000)	(6,764,000)
	<hr/>	<hr/>
<b>Total</b>	<b>18,429,567</b>	<b>20,078,638</b>
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Wigston College	(1,343,165)
	<hr/> <hr/>

An age range change (ARC) took place in the Trust September 2016. The Academy Trust moved to education for the 11-16 year olds from 10-14 year olds seeing its first results in September 2018. The College previously supplied education for 14-19 year olds and lost its KS4 pupils to become a sixth form only, resulting in the loss of its lump sum funding in the process. The college was inadequate and is now rated by OFSTED as good which added to the financial pressures in retraining and staffing costs. ARC has also taken place locally with increased competition for pupils in the area.

The Academy Trust is taking the following action to return the academy to surplus:

The Trust undertook a significant programme of restructuring and redundancy which has now been successfully completed. Across the Trust in 2015 there were 121 Full Time Equivalent (FTE) teachers and 130 FTE support staff, currently there are 83 FTE teachers and 87 FTE support staff. The Trust is proposing to reduce staffing and other costs were necessary when opportunities arise and vacancies are not always replaced like for like.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2021 £</b>	<i>Total 2020 £</i>
Wigston Academy	4,951,367	887,025	121,174	1,016,343	<b>6,975,909</b>	6,922,254
Wigston College	1,011,877	178,973	7,704	309,722	<b>1,508,276</b>	1,462,606
Central Services	166,776	229,811	-	18,462	<b>415,049</b>	377,295
<b>Academy Trust</b>	<b>6,130,020</b>	<b>1,295,809</b>	<b>128,878</b>	<b>1,344,527</b>	<b>8,899,234</b>	<b>8,762,155</b>

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

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	-	25,701,951	<b>25,701,951</b>
Fixed asset investments	-	56,904	-	<b>56,904</b>
Current assets	590,334	1,007,327	72,345	<b>1,670,006</b>
Creditors due within one year	-	(532,294)	-	<b>(532,294)</b>
Pension scheme liability	-	(8,467,000)	-	<b>(8,467,000)</b>
<b>Total</b>	<b>590,334</b>	<b>(7,935,063)</b>	<b>25,774,296</b>	<b>18,429,567</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	26,544,273	26,544,273
Fixed asset investments	-	48,380	-	48,380
Current assets	582,653	168,443	58,901	809,997
Creditors due within one year	-	(560,012)	-	(560,012)
Pension scheme liability	-	(6,764,000)	-	(6,764,000)
<b>Total</b>	<b>582,653</b>	<b>(7,107,189)</b>	<b>26,603,174</b>	<b>20,078,638</b>

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**20. Reconciliation of net expenditure to net cash flow from operating activities**

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	<b>(429,071)</b>	(828,608)
<b>Adjustments for:</b>		
Depreciation	<b>937,472</b>	917,022
Capital grants from DfE and other capital income	<b>(99,074)</b>	(204,624)
Interest receivable	<b>(1,623)</b>	(2,348)
Defined benefit pension scheme cost less contributions payable	<b>365,000</b>	444,000
Defined benefit pension scheme finance cost	<b>118,000</b>	125,000
Decrease in debtors	<b>89,871</b>	5,081
Increase/(decrease) in creditors	<b>27,252</b>	(157,584)
Gains on investments	<b>(8,524)</b>	(1,500)
<b>Net cash provided by operating activities</b>	<b>999,303</b>	296,439

**21. Cash flows from financing activities**

	2021 £	2020 £
Repayments of borrowing	<b>(54,970)</b>	(25,642)
<b>Net cash used in financing activities</b>	<b>(54,970)</b>	(25,642)

**22. Cash flows from investing activities**

	2021 £	2020 £
Dividends, interest and rents from investments	<b>1,623</b>	2,348
Purchase of tangible assets	<b>(95,150)</b>	(239,797)
Capital grants from DfE Group	<b>99,074</b>	204,624
<b>Net cash provided by/(used in) investing activities</b>	<b>5,547</b>	(32,825)

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**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	1,506,773	556,893
<b>Total cash and cash equivalents</b>	<b>1,506,773</b>	<b>556,893</b>

**24. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	556,893	949,880	1,506,773
Debt due within 1 year	(54,970)	54,970	-
	<u>501,923</u>	<u>1,004,850</u>	<u>1,506,773</u>

**25. Capital commitments**

	2021 £	2020 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	608,104	-

**26. 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 Leicestershire County Council. 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 £147,912 were payable to the schemes at 31 August 2021 (2020 - £143,328) and are included within creditors.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. Pension commitments (continued)**

**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 £863,465 (2020 - £837,536).

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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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. 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 2021 was £541,000 (2020 - £571,000), of which employer's contributions totalled £437,000 (2020 - £460,000) and employees' contributions totalled £ 104,000 (2020 - £111,000). The agreed contribution rates for future years are 25.1 - 26.1 per cent for employers and 5 - 12.5 per cent for employees.

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

**Principal actuarial assumptions**

	<b>2021</b>	2020
	%	%
Rate of increase in salaries	<b>3.4</b>	2.7
Rate of increase for pensions in payment/inflation	<b>2.9</b>	2.2
Discount rate for scheme liabilities	<b>1.65</b>	1.7
Inflation assumption (CPI)	<b>2.9</b>	2.2
Commutation of pensions to lump sums	<b>50</b>	50

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

	<b>2021</b>	2020
	Years	Years
<i>Retiring today</i>		
Males	<b>21.7</b>	21.5
Females	<b>24.2</b>	23.8
<i>Retiring in 20 years</i>		
Males	<b>22.6</b>	22.2
Females	<b>25.9</b>	25.2

**Sensitivity analysis**

	<b>2021</b>	2020
	£000	£000
Discount rate +0.1%	<b>421</b>	343
Salary increase rate +0.1%	<b>34</b>	30
Pension increase rate +0.1%	<b>381</b>	53

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**26. Pension commitments (continued)**

**Share of scheme assets**

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

	2021 £	2020 £
Equities	5,820,000	4,664,000
Bonds	2,910,000	2,293,000
Property	703,000	632,000
Cash	602,000	316,000
<b>Total market value of assets</b>	<b>10,035,000</b>	<b>7,905,000</b>

The actual return on scheme assets was £1,775,000 (2020 - £(227,000)).

Expected returns on assets are calculated as follows:-

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

**Asset model**

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2020 for the year to 31 August 2021, or date of joining the fund if later).

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**26. Pension commitments (continued)**

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Current service cost	<b>(802,000)</b>	<i>(904,000)</i>
Interest income	<b>137,000</b>	<i>143,000</i>
Interest cost	<b>(255,000)</b>	<i>(268,000)</i>
<b>Total amount recognised in the Statement of Financial Activities</b>	<b><u>(920,000)</u></b>	<i><u>(1,029,000)</u></i>

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	<b>14,669,000</b>	<i>14,448,000</i>
Current service cost	<b>802,000</b>	<i>904,000</i>
Interest cost	<b>255,000</b>	<i>268,000</i>
Employee contributions	<b>104,000</b>	<i>111,000</i>
Actuarial losses/(gains)	<b>2,858,000</b>	<i>(878,000)</i>
Benefits paid	<b>(186,000)</b>	<i>(184,000)</i>
<b>At 31 August</b>	<b><u>18,502,000</u></b>	<i><u>14,669,000</u></i>

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	<b>7,905,000</b>	<i>7,745,000</i>
Interest income	<b>137,000</b>	<i>143,000</i>
Actuarial gains/(losses)	<b>1,638,000</b>	<i>(370,000)</i>
Employer contributions	<b>437,000</b>	<i>460,000</i>
Employee contributions	<b>104,000</b>	<i>111,000</i>
Benefits paid	<b>(186,000)</b>	<i>(184,000)</i>
<b>At 31 August</b>	<b><u>10,035,000</u></b>	<i><u>7,905,000</u></i>

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**27. Operating lease commitments**

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2021</b>	2020
	£	£
Not later than 1 year	<b>6,856</b>	6,856
Later than 1 year and not later than 5 years	<b>15,426</b>	22,282
	<u><b>22,282</b></u>	<u>29,138</u>

**28. 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.

**29. Connected charities**

The activities of Abington High School and Guthlaxton College Foundation Fund are incorporated into the accounts (see note 18) by virtue of their control by the Trust.

**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 Academies Financial 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.

**Expenditure Related Party Transactions**

K Elton, spouse of M Elton, a member of the Academy Trust, is employed by the Academy Trust as a technician. K Elton's appointment was made in open competition and M Elton was not involved in the decision making process regarding appointment. K Elton is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.