

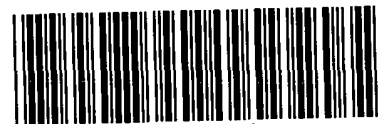
Registered number: 07442789

THE DE FERRERS TRUST (FORMERLY THE DE FERRERS ACADEMY)
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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THE DE FERRERS TRUST
(A company limited by guarantee)

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

Trustees

Ms W Ballington (resigned 3 September 2015)
Mr P Baxter, (S) (resigned 3 September 2015)¹
Mrs J Botten (resigned 3 September 2015)
Mr J Anderson (resigned 3 September 2015)
Mr C Hawthorn (resigned 17 December 2014)¹
Mrs B Highway, Vice Chair (resigned 3 September 2015)¹
Mr P Mills (resigned 3 September 2015)¹
Mr G Milnes (resigned 3 September 2015)
Mr D Moss, (RO)¹
Dr W Peacock (resigned 17 December 2014)¹
Mrs E A Laughlin, Chair¹
Mrs C H Varanka-Haywood, (S) (resigned 17 December 2014)
Mrs L M Wells (resigned 3 September 2015)
Mr A Burns¹
Mrs C Wakelin, (S) (resigned 3 September 2015)
Mr S Allen, (Principal)¹
Mr M Ahmed (resigned 30 November 2014)
Mr A Ali (resigned 3 September 2015)
Mr M Taylor
Mrs M Evans (appointed 21 April 2015)
Mrs C Lovell (appointed 21 April 2015)

¹ Member of Finance and Premises Committee

Key

(RO) Responsible Officer
(S) Staff Governor

Members

Mrs H Dutton (resigned 17 March 2015)
Mrs B Highway
Dr W Peacock (resigned 17 December 2014)
Mr S Allen (resigned 3 September 2015)
Mrs E Laughlin
Mr A Burns (appointed 9 December 2014, resigned 3 September 2015)
Mr M Taylor (appointed 9 December 2014)
Mrs J Botten (appointed 3 September 2015)
Mr M Freeman (appointed 3 September 2015)

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

Administrative details (continued)

Academy Leadership Team

Mr S Allen (Principal and Accounting Officer)
Mr N Holmes (Vice Principal Teaching and Learning)
Mr M O'Hare (Vice Principal Support and Guidance)
Mrs A Bickle (Vice Principal HR and Sixth Form)
Mrs M Evans (Finance Director)
Mr P Galloway (Assistant Principal KS3)
Mr G Hughes (Assistant Principal Curriculum)
Mr C Brown (Assistant Principal Data)
Mr D Lovell (Assistant Principal)
Mr G Hand (Associate Assistant Principal)

Company registered number

07442789

Principal and registered office

The de Ferrers Trust
St Mary's Drive
Burton on Trent
Staffordshire
DE13 0LL

Company secretary

Miss T Leach

Independent auditor

Crowe Clark Whitehill LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds TSB
16 High Street
Burton on Trent
DE14 1JA

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

Administrative details (continued)

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the audited financial statements of The de Ferrers Trust (formerly The de Ferrers Academy) for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an Academy for students aged 11 to 18 serving a catchment area in Burton upon Trent. It has a student capacity of 2150 (350 in years 7, 8, 9, 10 and 11, 200 in years 12 and 13) and had a roll of 2067 in the autumn 2015 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The de Ferrers Trust is a company limited by guarantee (company number 07442789) and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of The de Ferrers Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The de Ferrers Trust.

Details of the members and trustees who served throughout the year except as noted are included in the Reference and Administrative details on page 1.

MEMBERS' LIABILITY

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

TRUSTEES' INDEMNITIES

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are appointed / elected to the Board of Trustees under sections 50-59 of The de Ferrers Trust's Articles of Association, as follows:

- The members may appoint up to 5 trustees;
- The members may appoint staff trustees through such process as they may determine, provided that the total number of trustees (including the Chief Executive Officer) who are employees of the Academy Trust does not exceed one third of the total number of trustees;
- The Trustees may appoint up to 2 individuals serving as either Principals or Chairs from a Local Governing Body from any Academy to be trustees;
- In circumstances where the Trustees have not appointed Local Governing Bodies in respect of the Academies or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body there shall be a minimum of 2 Parents Trustee and otherwise such number as the

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

- members shall decide;
- The Chief Executive Officer may, if they agree to so act and their appointment is ratified by the members, be a Trustee.
- The Trustees may appoint co-opted Trustees.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The training and induction provided for new trustees will depend on their existing experience. New trustees are welcomed to the Academy by the clerk to the trustees, who is responsible for their induction. A full induction pack is provided which includes:

- The NGA's 'Welcome to Governance' handbook
- Declaration of acceptance for the responsibilities of directors form
- Trustees' Code of Practice
- Articles of association
- Terms of reference for all sub-committees
- Diagram showing the structure of governance within the academy
- Details of the sub-committee membership
- Calendar of meetings
- Budget for current financial year
- Academy development plan
- Trustees development plan
- Minutes of last Board of Trustees and sub-committee meetings
- Register of Pecuniary Interests

Contact is made by the Chair of the Board of Trustees and the Chair of their chosen sub-committee and a mentor is allocated (a more experienced trustee) to guide them through their first year.

A skills audit is then completed and further specific training can be offered if necessary.

ORGANISATIONAL STRUCTURE

The Board of Trustees is responsible for ensuring a quality education for the students of the academy. This is facilitated by four committees. The Board meet six times a year. They have delegated some of their function to four sub-committees. The four key areas are:

Teaching and Learning; (Curriculum Design, CPD, New Technologies, Teaching and Learning Strategies, Student Progress)

Human Resources; (Recruitment, retention, appraisal, personnel and Academy Structure)

Finance and Premises; (Budget, financial performance, environment for learning, health and safety)
NB The function of an Audit Committee forms part of the Terms of Reference of the Finance and Premises Committee.

Support for Learning (Rewards, mentoring, attendance, behaviour, safeguarding, pupil premium, LAC, EAL)

The four areas identified above are essential and integral to the raising of achievement and it is the inter-relationship between these four areas which brings about student progress.

The day to day management of the Academy Trust is delegated to the Academy Leadership Team. Details of the Academy Leadership Team are included in the Reference and Administrative details on page 2.

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

As a result of the trustees' decision to convert to MAT status, the above structure has undergone significant review in 2014/15. Please see Governance Statement for further details.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The de Ferrers School Fund has been aggregated into these accounts as the fund is under the control of the academy. The de Ferrers School Fund is therefore an exempt charity, and is no longer registered with the Charity Commissioners. Separate accounting records are maintained for the de Ferrers School Fund, which has a separate bank account from the main academy fund. The income and expenditure of the School Fund are shown in the academy's restricted and unrestricted general funds, as appropriate.

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The Academy holds a firm belief that in order to achieve our goals we will work in true partnership. Key stakeholders are the trustees, staff, students, parents, the community and external influences.

By working together to an agreed set of guiding principles that will govern this partnership, we will create the foundation on which the partnership will flourish.

In 2014/15 the trustees considered and agreed to convert to MAT status. Converting to Multi Academy trust status will enable the Trust to support a wider network of schools and thus improve and impact upon the lives and educational experiences of a larger number of young people.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The key foci for the next academic year (2015/2016) are:

- To introduce the new MAT structure and continue discussions with the DfE regarding potential schools to join the MAT.
- To continue to enhance the quality of Teaching and Learning to be consistently good and outstanding, within a dynamic 'Climate for Learning'.
- To continue to progress capital projects to enhance facilities on the Trent Campus.
- To continue to utilise the opportunities of 'e-learning'/interactive technology to improve student outcomes.
- To review all curriculum models and forms of delivery to ensure a quality education experience in current and future difficult financial climate.

PUBLIC BENEFIT

The principal activity undertaken to further the Academy Trust's purposes for the public benefit is 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.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

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

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy achieved another excellent set of results in 2015.

At GCSE, 75% of students achieved 5+ A*-C (74% in 2014), with 66% achieving 5+ A*-C including English and Maths (63% in 2014). The effective use of Pupil Premium continues to reap rewards, as the gap in 5+ A*-C has again narrowed, from 21% in 2014 to 17.1% in 2015. In fact, the proportion of Pupil Premium students achieving 5A*-C including English and Maths at de Ferrers is now higher than that of All students nationally. Ebacc performance also remains strong at 37% (14% above the national average).

At AS level, the pass rate of 94.1% is a noted improvement, while the pass rate at A2 was an impressive 99.3%. Both pass rates are higher than the national average. There is also continued improvement in APS per entry, with record results at both AS and A2.

The Academy continues to enjoy a period of rapid and sustained improvement and many performance measures will again be significantly above the national average in 2015. The Academy has set ambitious but realistic targets for 2016, including a Progress 8 target to reflect the introduction of this new measure.

KEY FINANCIAL PERFORMANCE INDICATORS

The key financial performance indicators of the Academy Trust are focused on the generation of income through sustained student numbers, and management of expenditure and cashflow, as follows:

- Student intake in Year 7 of at least 90% of PAN (Planned Admission Number);
- Staff costs less than 80% of grant income;
- Expenditure within approved budget;
- Minimum cash level to fund at least one month's average expenditure
- Development of the MAT without detrimental financial impact on The de Ferrers Academy.

GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

During the period the academy received income of £10,289,000 in government and local authority grants and £416,000 of other income.

Expenditure amounted to £10,858,000. The excess of expenditure over income was as a result of using some of the academy's brought forward reserves to fund:

- purchase of iPads for the use of KS4 students
- building projects including an extension to support the academy's expanding Sixth form;
- additional staffing to cater for increased student numbers across the academy.

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

As noted in objectives for next year above, the academy intends to continue capital projects to enhance the facilities on the Trent campus. It is anticipated that – in addition to any capital grants available – some of the academy's reserves will be used towards the funding of this objective.

The academy held fund balances at 31 August 2015 of £14,406,000 comprising an amount of £944,000 in respect of unrestricted general funds, £15,535,000 in respect of restricted fixed asset funds, and a deficit of £2,073,000 in respect of restricted general funds. The deficit in respect of restricted funds has arisen as a result of the deficit of £3,058,000 in the local government pension fund.

RESERVES POLICY

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements.

The trustees have identified a number of priorities for capital projects to expand and improve the academy's facilities, including the need for additional accommodation on the Trent campus, and the on-going need to replace a substantial proportion of the academy's ICT infrastructure each year. The level of reserves will be kept under review by the trustees.

INVESTMENT POLICY

Cash flow and current account balances will be regularly monitored to ensure immediate financial commitments can be met (e.g. payroll and supplier payments), and that the current account has adequate balances to meet forthcoming commitments. In practice a working balance of between £250,000 and £750,000 is likely to be maintained in the academy's current account.

The academy will normally seek to avoid its current account going overdrawn.

Funds surplus to immediate cash requirements will be identified and transferred to Lloyds High Interest Deposit accounts, or to Virgin Charity Deposit account, bearing a higher interest rate.

Periodically (at least annually) interest rates will be reviewed and compared with other investment opportunities. Funds will only be invested in low risk and easily accessible deposit accounts.

Funds will only be invested in low risk and easily accessible deposit accounts. Funds can be invested for periods from six weeks to 12 months or more based on medium to long term forecast and financial planning.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal financial risk faced by the academy relates to the deficit of £3,058,000 in the local government pension fund.

PLANS FOR FUTURE PERIODS

In accordance with the aims and objectives of The de Ferrers Trust it will continue to drive improvements in the levels of performance of its students at all levels and will continue its efforts to ensure its students gain employment or a place in higher education. The Academy will continue to develop its facilities for its staff and students, and is currently considering a number of possible projects to improve student accommodation.

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

Challenges/Opportunities

- Continued growth in student numbers at Year 7 and Post 16. Implications on staffing, accommodation and teaching group size
- Promotion of Burton UTC for September 2016 opening and continuing expansion of JCB – challenge at Year 9 and Year 11
- MAT development – selection of sponsored school including the phased development of an all through 3-18 Academy with all of our partner primary schools.
- To guarantee that 'nothing' distracts from the further development of The de Ferrers Academy
- Establishment and effectiveness of the new MAT governance structure
- Ofsted ready – Priority – Ensuring routines are in place.

1: Maximising Progress

- 1.1 Ofsted Ready
- 1.2 Subject priorities reflecting 2014-15 performance – at all Key stages
- 1.3 Aspire to achieve Progress 8 score of +0.5
- 1.4 Prioritise sub groups in light of 2014-15 performance
- 1.5 EBacc 50%
- 1.6 A-A* priority in key curriculum areas
- 1.7 Develop Progress 8 mentality of 'every subject counts'
- 1.8 New sub groups foci – Most Able Students who are also PP
- 1.9 Maintain focus on reducing the PP gaps across all ages
- 1.10 Evaluate effectiveness of Relaunch/CtG and develop accordingly – Priority*
- 1.11 Removal of all blue & increased green across all areas of RAISEOnline
- 1.12 Category 1 in all online documents i.e. Data Dashboard, Governor Dashboard
- 1.13 'Top 3' of 55 similar schools
- 1.14 Min grade 4 ALP's for all subject areas
- 1.15 Overall KS5 APS 220+
- 1.16 KS5 minimum grade D and 100% pass rate at AS and A2
- 1.17 KS5 Positive Value Added
- 1.18 ALP's thermometer visibility across the Sixth Form area and receptions
- 1.19 Increase effective use of SISRA for all staff to highlight areas of underperformance
- 1.20 Maximising teaching time for all Key Stages (be more inventive when 'intervention' is required)
- 1.21 Develop Personalised KSL training programme
- 1.22 ICT Infrastructure implications of MAT status
- 1.23 Paperless Academic report system – e mail or access
- 1.24 Developing Digital learning Resources – partnership with other schools and Apple Priority*
- 1.25 Annual E safety programme for parents and students
- 1.26 Attain ADS status and use as a revenue stream – further develop partnerships with Universities/Apple
- 1.27 Printing Solution
- 1.28 Extension of iPad technology into Dove – Cost projection and strategic plan – Presence/Counter for digital leaders on Trent (and Dove?)
- 1.29 Due diligence – key data

2: Learning & Teaching

- 2.1 To ensure that all teaching is Good/Outstanding as defined by the June 2015 Ofsted framework
- 2.2 To introduce a new approach to Teaching & Learning observations which links with personalised CPD using Iris
- 2.3 To establish a triangulated evidence base for teaching over time
- 2.4 To ensure that Active Feedback is used effectively and consistently across all Faculties
- 2.5 To further develop the sophisticated use of questioning
- 2.6 To continue to implement new curricula across all Key Stages
- 2.7 To extend the Faculty Conference programme to facilitate Priority 6
- 2.8 To prepare for KS2 En/Ma SAT resits during Y7
- 2.9 To continue to develop cross-curricular Reading and Communication and Numeracy strategies,

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

- particularly at KS3
- 2.10 To continue preparing for a single Academy progress measure based on the new GCSE gradings 1-9
 - 2.11 To review the curriculum model 2016+ and its implications for the
 - 2.12 timetable/Academy day
 - 2.13 To launch and review post-16 Core Maths
 - 2.14 To embed the dual coaching programmes in a sustainable model
 - 2.15 To review homework and develop a system which encourages
 - 2.16 independent learning skills
 - 2.17 To review the range of Lead Teacher initiatives
 - 2.18 To develop the use of student voice to inform Teaching & Learning

3: Support & Guidance

- 3.1 Ofsted ready – Priority – Ensuring routines are in place – Marking/HW – S&G checks
- 3.2 KS2 SAT's Yr7 Spring Term – retests?
- 3.3 New Levels – Options & direction of travel for Sept 16
- 3.4 Review of Parent Voice – Parental involvement in supporting study?
- 3.5 Launch of Post 16 Core Maths
- 3.6 Attendance 96% target with key groups prioritised
- 3.7 Academy Year/Terms – consultation with Primary Partners
- 3.8 Explore the concept of 'Character Education'
- 3.9 Student Voice – Academy Cabinet chaired by Head Boy/Girl – Role of SCA
- 3.10 Use of Tutor Time? - quality variable
- 3.11 Review of Rewards/Awards structure – promotion of rewards
- 3.12 Assembly programme and focus
- 3.13 SMSC Provision – overview
- 3.14 Strategies to enhance progress and attainment of key groups
 - a. Prioritise sub groups in light of 2014-15 performance
 - b. Maintain focus on reducing the PP gaps across all ages
 - c. New sub groups – Most Able Students who are also PP?
 - d. Focus on CtG – key staffing resources agreed and focused on student needs
 - e. Review of RtB and G&T
 - f. Relaunch/CtG effectiveness a priority
- 3.15 EAL Support /Strategy
- 3.16 Shadow S&G experience – succession planning
- 3.17 Role of ASA's
- 3.18 Tangible daily activity – Counter on each campus with SDL's, Notice board, Photo's / Role and profile
- 3.19 Student Mentoring other students
- 3.20 Transition into and out of Key Stages
- 3.21 Post 16 Work experience
- 3.22 Proactive Personalised Support Programmes to prevent exclusions/improve motivation – Dove Priority
- 3.23 House relaunch – Priority*
- 3.24 Cadet Force launch and development
- 3.25 Engagement for Learning policy
- 3.26 SEN New code of practice review
- 3.27 Access arrangements
- 3.28 Recruitment and retaining students Yr7/9/11/12 – review and enhanced strategies
- 3.29 Continued growth in student numbers at Year 7 and Post 16. Implications on staffing, accommodation and teaching group size
- 3.30 Promotion of Burton UTC for September 2016 opening and continuing expansion of JCB – challenge at Year 9 and Year 11
- 3.31 Year 7 Student Guide

4: Human Resources

- 4.1 Enhanced ALT structure / Prof Dev opportunities / Shadow DL's programme

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

- 4.2 ALT contingencies/role rotations to ensure sustainability in future within MAT structure
- 4.3 Roles of Shadow ALT – succession planning strategy
- 4.4 Timetable team - 3 / 4
- 4.5 Recruitment Pack – Employer of choice/staff benefits
- 4.6 Employer of Choice Boards – Staff Centres
- 4.7 Induction Programmes for new/promoted staff
- 4.8 HR policies in light of MAT developments
- 4.9 Review HR structure/capacity/roles in relation to MAT
- 4.10 Identification of MAT best practice
- 4.11 New MAT structure to support HR
- 4.12 Formulation of transition plan
- 4.13 New Governance structure
- 4.14 Staff Rewards / Awards – Celebration Event(M) – MAT event (L)
- 4.15 Review ISA allocation
- 4.16 Recruitment & Retention Strategies
- 4.17 Absence Management
- 4.18 Appraisal/Performance Management/Pay
- 4.19 Prioritise faculty capacity (decisions to be made where to allow capacity or want to create it)
- 4.20 MAT Policies
- 4.21 Due diligence – Key data

5: Finance, Premises & Risk Management

- 5.1 New block The de Ferrers Trust: Faculty of Mathematics
- 5.2 Asset Management rollout - ICT equipment
- 5.3 Exploration of all funding streams
- 5.4 Review Finance/Premises/H&S structure/capacity/roles/policies in relation to MAT
- 5.5 Follow up Risk Management Audit
- 5.6 Develop MAT Risk Register
- 5.7 Student Debt: review procedures around student payments and reinforce with staff their authority limits
- 5.8 Analyse & review 'Cover' costs
- 5.9 Funding Projections Update 2015-18 – refinement (new numbers)
- 5.10 Finance packages for potential MAT structure
- 5.11 Review site priorities in light of changing education priorities and funding
- 5.12 Community Programme Plan
- 5.13 Formulation of MAT transition plan
- 5.14 Reviewing suiting and room ownership across campuses
- 5.15 Due diligence – Key data

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The academy trust acts as an agent in distributing bursary funds and grants from the EFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances the trust can use a % of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

AUDITOR

The auditor, Crowe Clark Whitehill LLP, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at the Annual General Meeting of its members.

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

- Insofar as the trustees are aware:
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report, incorporating the Strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2015 and signed on the board's behalf by:



Mrs E Laughlin
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 The de Ferrers 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. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ms W Ballington (resigned 3 September)	5	6
Mr P Baxter , (S) (resigned 3 September)	6	6
Mrs J Botten (resigned 3 September)	3	6
Mr J Anderson (resigned 3 September)	6	6
Mr C Hawthorn (resigned 17 December 2014)	2	3
Mrs B Highway, Vice Chair (resigned 3 September)	6	6
Mr R Mills (resigned 3 September)	5	6
Mr G Milnes (resigned 3 September)	4	6
Mr D Moss, (RO)	6	6
Dr W Peacock (resigned 17 December 2014)	3	3
Mrs E A Laughlin, Chair	6	6
Mrs C H Varanka-Haywood , (S) (resigned 9 December 2014)	3	3
Mrs L M Wells (resigned 9 December 2014)	6	6
Mr A Burns	6	6
Mrs C Wakelin, (S) (resigned 9 December 2014)	5	6
Mr S Allen, (Principal)	6	6
Mr M Ahmed (resigned 30 November 2014)	2	2
Mr A Ali (resigned 3 September 2014)	5	6
Mr M Taylor	4	6
Mrs M Evans (appointed 21 April 2015)	1	1
Mrs C Lovell (appointed 21 April 2015)	1	1

Governance reviews:

There have been a number of key changes to the composition of the Board of Trustees during the period. In September 2014, Trustees established a Working Party to explore the possibility of The de Ferrers Academy Trust converting to Multi-Academy Trust status. Consultation took place with parents, staff and other stakeholders and in October 2014 Trustees voted in favour of the Academy submitting an application to the Department for Education.

In the interim, the Chair of Trustees and the Clerk to Trustees held an annual review meeting with each individual trustee. During that meeting trustees could speak in confidence about any concerns that they may have as the Trust moved towards Multi-Academy Trust status and identify training requirements. A number of

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GOVERNANCE STATEMENT (continued)

trustees' terms of office were due to expire so this was a good opportunity to ask trustees to confirm their intentions moving forward. Based on their skills trustees were spoken to and allocated provisional places on either the Board of Trustees or the Local Governing Body (LGB).

The Trust instructed Messrs. Browne Jacobson as our Solicitors who prepared a new set of Articles of Association and Funding Agreements which were presented to the trustees in April 2015. At that meeting trustees formally approved all documents and it was agreed that a shadow structure would be implemented to operate as a MAT pending approval from the Education Funding Agency. Trustees felt strongly that before we were able to take responsibility for the governance of other academies, we needed to be able to demonstrate a strong governance model that worked. They therefore agreed to split their governance structure into two levels, Board and Local, and agreed on a scheme of delegation between the two. This governance structure was then trialed pending approval of the documents by the EFA.

During the transitional period the Board of Trustees met twice and attendance at those meetings was as follows:-

Trustee	Meetings attended	Out of a possible
S Allen	2	2
E Laughlin (Chair)	2	2
A Burns	2	2
D Moss	2	2
M Taylor	2	2
M Evans	2	2
C Lovell	2	2

The Local Governing Body (who remained trustees at that time) met twice and attendance at those meetings was as follows:-

Trustee	Meetings attended	Out of a possible
S Allen	2	2
B Highway	1	2
W Ballington	2	2
P Mills	1	2
G Milnes	2	2
P Baxter	2	2
C Wakelin	2	2
J Botten	2	2
L Wells	2	2
A Burns (Chair)	1	2
J Anderson	1	2
A Ali	2	2

The Finance and Premises Committee was a sub-committee of the main Board of Trustees. Its purpose was to assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity, within the limits defined in the Scheme of Delegation.

THE DE FERRERS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Allen (Principal)	3	3
W Peacock	0	1
B Highway	3	3
C Hawthorn	1	1
P Mills	3	3
D Moss	3	3
A Burns	2	3
P Baxter	3	3
E Laughlin	3	3

The function of an Audit Committee forms part of the terms of reference of the Finance and Premises committee.

In September 2015 a resolution was passed by the Members to formally adopt the Articles of Association and to change the name to The de Ferrers Trust. The Funding Agreements were signed and the Board of Trustees was formally appointed. Those trustees who had chosen to remain at a local level resigned as trustees.

Now that the Trust has become a Multi-Academy Trust, an Audit and Risk Committee has been appointed.

Training and Development

Trustees recognise that in order to achieve Outstanding governance, they need to have an Outstanding Clerk. Throughout the period the Clerk to Trustees has therefore undertaken significant professional development by completing the NCTL Clerks Development Programme.

To strengthen the skill-set of the Local Governing Body, all trustees were invited to participate in informal in-house training on the Trust's use of Data for the purposes of monitoring and tracking progress. This training is on-going.

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- **Improving Educational Outcomes**
The Academy continues to demonstrate effective use of resources through continued improvement in educational outcomes for our students, despite being among the lowest-funded education authorities in England. This year has again seen increased levels of achievement at both GCSE and A level. The Academy makes effective use of Pupil Premium funding to target individual students, and as a result there has been a significant narrowing of the gap in achievement between "Ever 6" students and the overall cohort;
- **Collaboration**
The Academy has been engaged by the Local Authority to work with other schools in the area, to share the good practice in place at de Ferrers in order to support them in driving through improvements in educational outcomes. Over the last year, Academy has provided support to three schools, all of whom have seen improvements in their examination performance in 2015;

THE DE FERRERS TRUST
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GOVERNANCE STATEMENT (continued)

- **Income Generation**
The Academy continues to develop its community programme. Following the appointment of a Community Development Manager, income has grown from £25,000 in 2012-13 to £66,000 in 2014-15;
- **Financial Management**
Through careful financial management, the academy has been successful in building its reserves so that we have some funds to:
 - Maintain a prudent level of contingency (see Reserves policy);
 - Cope with the lagged funding methodology. The Academy's student numbers have increased from 1922 in October 2013 to 2074 in October 2015. Due to this increase, and the lagged funding, the Academy has set a deficit in-year budget for 2015-16, and is drawing on some of its reserves in order to fund the additional staff needed to cater for this significant increase in student numbers;
 - Contribute to essential capital projects;
- **Cost Review**
External expert advice is sought where appropriate (e.g. for the appointment of building contractors, and the management of building projects). Competitive quotes / tenders are sought for expenditure over £5k, regularly using frameworks such as CPC.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The de Ferrers Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed D Moss, a Trustee, to carry out a programme

THE DE FERRERS TRUST
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GOVERNANCE STATEMENT (continued)

of internal checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

In particular the checks carried out in the current period include:

- checking of procedures to select and appoint staff;
- testing of payroll systems;
- review of financial reporting and forecasting.

On a termly basis, the reviewer reports to the board of trustees through the Finance and Premises committee on the operation of the systems of control and on the discharge of the trustees' financial responsibilities. The Board of Trustees are satisfied that the review function has been delivered in line with the EFA's requirements. No material control issues have been identified as a result of the reviewer's work.

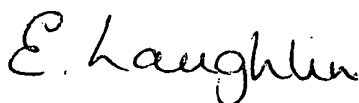
REVIEW OF EFFECTIVENESS

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises 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 8 December 2015 and signed on its behalf, by:



Mrs E Laughlin
Chair of Trustees



Mr S Allen
Accounting Officer

THE DE FERRERS TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The de Ferrers Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Trust Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook (2014).

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



Mr S Allen
Accounting Officer

Date: 08 December 2015

THE DE FERRERS TRUST
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFADfE 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 8 December 2015 and signed on its behalf by:



Mrs E A Laughlin
Chair of Trustees

THE DE FERRERS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DE FERRERS TRUST

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

This report is made solely to the academy 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

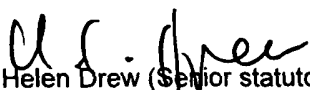
THE DE FERRERS TRUST
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DE FERRERS TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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


Helen Drew (Senior statutory auditor)
for and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
8 December 2015

THE DE FERRERS TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DE FERRERS TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 May 2011 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The de Ferrers Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE DE FERRERS TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The de Ferrers Trust's funding agreement with the Secretary of State for Education dated 22 December 2010, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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


The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

THE DE FERRERS TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DE
FERRERS TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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


Crowe Clark Whitehill LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

8 December 2015

THE DE FERRERS TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	-	10	-	10	7
Activities for generating funds	4	66	-	-	66	44
Investment income	5	20	-	-	20	36
Incoming resources from charitable activities	6	23	10,114	472	10,609	10,085
TOTAL INCOMING RESOURCES		109	10,124	472	10,705	10,172
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating funds	7	13	-	-	13	10
Charitable activities		31	10,296	501	10,828	10,701
Governance costs	12	-	17	-	17	25
TOTAL RESOURCES EXPENDED	8	44	10,313	501	10,858	10,736
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		65	(189)	(29)	(153)	(564)
Transfers between Funds	22	-	114	(114)	-	-
NET EXPENDITURE FOR THE YEAR		65	(75)	(143)	(153)	(564)
Actuarial gains and (losses) on defined benefit pension schemes		-	22	-	22	(1,247)
NET MOVEMENT IN FUNDS FOR THE YEAR		65	(53)	(143)	(131)	(1,811)
<i>Total funds at 1 September 2014</i>		<i>879</i>	<i>(2,020)</i>	<i>15,678</i>	<i>14,537</i>	<i>16,348</i>
TOTAL FUNDS AT 31 AUGUST 2015		944	(2,073)	15,535	14,406	14,537

All activities relate to continuing operations.

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

The notes on pages 27 to 50 form part of these financial statements.

THE DE FERRERS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07442789

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£000	2015 £000	2014 £000
FIXED ASSETS				
Tangible assets	17		15,535	15,678
CURRENT ASSETS				
Debtors	18	899		588
Investments	19	1,817		1,548
Cash at bank		954		666
		<u>3,670</u>		<u>2,802</u>
CREDITORS: amounts falling due within one year	20	(1,164)		(994)
NET CURRENT ASSETS			<u>2,506</u>	<u>1,808</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,041</u>	<u>17,486</u>
CREDITORS: amounts falling due after more than one year	21		(577)	(73)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>17,464</u>	<u>17,413</u>
Defined benefit pension scheme liability	28		(3,058)	(2,876)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>14,406</u>	<u>14,537</u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	22	985		856
Restricted fixed asset funds	22	15,535		15,678
Restricted funds excluding pension liability		<u>16,520</u>		<u>16,534</u>
Pension reserve		(3,058)		(2,876)
Total restricted funds			<u>13,462</u>	<u>13,658</u>
Unrestricted funds	22		<u>944</u>	<u>879</u>
TOTAL FUNDS			<u>14,406</u>	<u>14,537</u>

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2015 and are signed on their behalf, by:

Mrs E A Laughlin
Chair of Trustees

E. Laughlin

The notes on pages 27 to 50 form part of these financial statements.

THE DE FERRERS TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £000	2014 £000
Net cash flow from operating activities	24	423	(237)
Returns on investments and servicing of finance	25	20	36
Capital expenditure and financial investment	25	(155)	(815)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		288	(1,016)
Financing	25	-	50
INCREASE/(DECREASE) IN CASH IN THE YEAR		288	(966)

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

	2015 £000	2014 £000
Increase/(Decrease) in cash in the year	288	(966)
Cash outflow from decrease in debt and lease financing	-	(50)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	288	(1,016)
New loan	(505)	-
MOVEMENT IN NET FUNDS IN THE YEAR	(217)	(1,016)
Net funds at 1 September 2014	576	1,592
NET FUNDS AT 31 AUGUST 2015	359	576

The notes on pages 27 to 50 form part of these financial statements.

THE DE FERRERS TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Format of financial statements

The standard format for the financial statements as required by the Companies Act 2006 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (Charities SORP 2005) and the Academies Accounts Direction 2013 to 2014 issued by the EFA and reflects the activities of the academy.

1.2 Basis of accounting

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

1.3 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The company has cash resources and has no requirement for external funding. The directors have an expectation that the Academy Trust will have adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

1.4 Basis of consolidation

The de Ferrers School Fund has been aggregated into these accounts as the fund is under the control of the academy. The de Ferrers School Fund is therefore an exempt charity, and is no longer registered with the Charity Commissioners. Separate accounting records are maintained for the de Ferrers School Fund, which has a separate bank account from the main academy fund. The income and expenditure of the School Fund are shown in the academy's restricted and unrestricted general funds, as appropriate.

1.5 Incoming resources

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

THE DE FERRERS TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

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

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

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

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

Land and buildings leased from Staffordshire County Council

As a maintained school converting under the Academies Act 2010, the academy continues to occupy the premises of the predecessor school, de Ferrers Specialist Technology College. The academy has a tenancy at will with Staffordshire County Council, which allows the academy to occupy the premises at a peppercorn rent. The academy is in the process of agreeing a long term (125 year) lease with Staffordshire County Council, which will also be at a peppercorn rent.

Under the terms of the tenancy agreement, the risks and rewards of ownership of the buildings transfer to the academy, and therefore the buildings are recognised as an asset on the balance sheet as a fixed asset. The academy's financial statements for the period 2010-11 included a corresponding entry to voluntary income as a gift in kind.

In order to determine an appropriate fair value for the asset, the governors of the academy obtained a professional valuation from Salloway Property Consultants in 2010-11. The basis of valuation used is depreciated replacement cost.

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

1. ACCOUNTING POLICIES (continued)

1.6 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.7 Liquid resources

The academy considers liquid resources to be cash at the bank and cash in hand plus short-term investments.

1.8 Recognition of liabilities

Liabilities are only recognised when the academy has an obligation as a result of a past event, and a reliable estimate can be made of the amount of the obligation.

1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from Education Funding Agency.

Where the academy purchases capital items from the General Annual Grant (GAG) during the period, this is represented by a transfer from the restricted general fund to the restricted fixed asset fund.

THE DE FERRERS TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

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

Long leasehold buildings	-	50 years
Long leasehold land	-	125 years
Fixtures, fittings and equipment	-	10 years
ICT equipment	-	4 years rolling

The Academy Trust purchases a number of iPads each year for use by students at KS4 and KS5. The Academy Trust writes the purchase of iPads off as an expense in year, on the grounds that this is a four year rolling programme, with iPads purchased and disposed of each year.

1.11 Investments

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.12 Operating leases

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

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

1. ACCOUNTING POLICIES (continued)

1.13 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.14 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 and the assets are held separately from those of the academy trust. More details of the schemes are given in Note 28.

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the teachers' pension scheme (TPS). The TPS, a statutory, contributory, final salary scheme, is administered by Capita Teachers' Pensions on behalf of the Department for Education.

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 quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Local Government Pension Scheme

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.15 Accounting for agency arrangements

The academy trust acts as an agent in distributing bursary funds and grants from government bodies. Payments received and subsequent disbursements are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances the trust can use a % of the allocation towards its own administration costs and this is recognised in the statement of financial activities where applicable. The funds received and paid and any balances held are disclosed in note 32.

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2 % could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2015.

3. VOLUNTARY INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Donations	-	10	10	7

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Hire of facilities	66	-	66	44

5. INVESTMENT INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Bank interest	1	-	1	1
Short term deposits	19	-	19	35
	20	-	20	36

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

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Academy's educational operations	-	10,289	10,289	9,720
Other incoming resources	23	297	320	365
	<u>23</u>	<u>10,586</u>	<u>10,609</u>	<u>10,085</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	As restated Total funds 2014 £000
DfE/EFA revenue grants				
Capital grants	-	472	472	35
General annual grant (GAG)	-	9,042	9,042	9,032
Other government grants	-	565	565	396
Local authority grants	-	67	67	39
Other educational funding	-	143	143	218
	<u>-</u>	<u>10,289</u>	<u>10,289</u>	<u>9,720</u>

7. COSTS OF GENERATING FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Hire of facilities	13	-	13	10
	<u>13</u>	<u>-</u>	<u>13</u>	<u>10</u>

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

8. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other costs	2015	2014
	£000	2015	2015	£000	£000
		£000	£000		
Costs of generating funds	-	-	13	13	10
Costs of generating funds	-	-	13	13	10
Direct costs:					
Academy's educational operations	6,569	451	2,316	9,336	9,221
Support costs:					
Academy's educational operations	1,014	130	70	1,214	1,100
Other costs	-	-	278	278	380
Charitable activities	7,583	581	2,664	10,828	10,701
Governance	-	-	17	17	25
	7,583	581	2,694	10,858	10,736

9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total	Total
	2015	2015	2015	2014
	£000	£000	£000	£000
Academy's educational operations	9,336	1,214	10,550	10,321
Other costs	-	278	278	380
Total	9,336	1,492	10,828	10,701

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

10. DIRECT COSTS

	Academy's educational operations £000	Total 2015 £000	Total 2014 £000
Educational supplies	1,333	1,333	1,298
Examination fees	186	186	193
Staff recruitment and development	81	81	89
Premises costs	716	716	755
Teaching and Educational support staff costs	5,381	5,381	5,250
National insurance	416	416	401
Pension cost	772	772	744
Depreciation	451	451	491
	<u>9,336</u>	<u>9,336</u>	<u>9,221</u>

11. SUPPORT COSTS

	Academy's educational operations £000	Other costs £000	Total 2015 £000	Total 2014 £000
Recruitment and support	9	-	9	10
Premises costs	80	-	80	84
Other support costs	61	278	339	423
Support staff costs	702	-	702	677
National insurance	40	-	40	39
Pension cost	272	-	272	192
Depreciation	50	-	50	55
	<u>1,214</u>	<u>278</u>	<u>1,492</u>	<u>1,480</u>

12. GOVERNANCE COSTS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Auditors' remuneration	-	13	13	12
Legal and professional fees	-	4	4	13
	<u>-</u>	<u>17</u>	<u>17</u>	<u>25</u>

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

13. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £000	2014 £000
Depreciation of tangible fixed assets:		
- owned by the charity	501	546
Auditor's remuneration	13	12
Operating leases: equipment	29	28
	<u>543</u>	<u>586</u>

14. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	6,047	5,884
Social security costs	456	441
Other pension costs (Note 28)	1,044	935
	<u>7,547</u>	<u>7,260</u>
Supply teacher costs	36	43
	<u>7,583</u>	<u>7,303</u>

b. Staff severance payments

There were no severance payments during the year (2014: £20,000)

c. Staff numbers

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

	2015 No.	2014 No.
Administration and support	81	79
Management	9	9
Teachers	105	107
	<u>195</u>	<u>195</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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14. STAFF (continued)

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	3	3
In the band £120,001 - £130,000	1	1

7 (2014: 7) of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £78,853 (2014: £76,538).

15. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2015 £000	2014 £000
Mr P Baxter - remuneration	20-25	30 - 35
Mr P Baxter - employer pension contributions	0-5	0-5
Mrs C Wakelin - remuneration	40-45	40-45
Mrs C Wakelin - employer pension contributions	5-10	5-10
Mrs C H Varanka-Haywood - remuneration	5-10	20-25
Mrs C H Varanka-Haywood - employer pension contributions	0-5	0-5
Mr S Allen - remuneration	130-135	125-130
Mr S Allen - employer pension contributions	15-20	15-20
Mrs M Evans - remuneration	20-25	n/a
Mrs M Evans - employers pension contributions	0-5	n/a

During the year, one Trustee received £228 in reimbursement of expenses (2014 - £NIL).

Interests in transactions

No governors had interests in transactions undertaken by the academy.

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

16. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. From 1 January 2015, the academy has opted into the Department for Education's risk protection arrangement (RPA), the insurance provides cover up to £5,000,000 (2014 - £2,000,000) on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme. (2014 - £1,206). The cost of this insurance is included in the total insurance cost.

17. TANGIBLE FIXED ASSETS

	Assets under construction £000	Fixtures & equipment £000	Computer equipment and software £000	Long leasehold land and buildings £000	Total £000
Cost					
At 1 September 2014	-	1,148	639	15,709	17,496
Additions	283	33	9	33	358
Disposals	-	-	(24)	-	(24)
At 31 August 2015	283	1,181	624	15,742	17,830
Depreciation					
At 1 September 2014	-	402	523	893	1,818
Charge for the year	-	116	79	306	501
On disposals	-	-	(24)	-	(24)
At 31 August 2015	-	518	578	1,199	2,295
Net book value					
At 31 August 2015	283	663	46	14,543	15,535
At 31 August 2014	-	746	116	14,816	15,678

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**NOTES TO THE FINANCIAL STATEMENTS
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18. DEBTORS

	2015 £000	2014 £000
Due after more than one year		
Prepayments and accrued income	5	-
Due within one year		
Trade debtors	15	4
Other debtors	93	238
Prepayments and accrued income	786	346
	<u>899</u>	<u>588</u>

19. CURRENT ASSET INVESTMENTS

	2015 £000	2014 £000
Short term deposits	<u>1,817</u>	<u>1,548</u>

20. CREDITORS:

Amounts falling due within one year

	2015 £000	2014 £000
Other loans	18	17
Trade creditors	339	438
Other taxation and social security	137	136
Other creditors	148	188
Accruals and deferred income	522	215
	<u>1,164</u>	<u>994</u>

Deferred income

	£000
Deferred income at 1 September 2014	101
Resources deferred during the year	171
Amounts released from previous years	(101)
Deferred income at 31 August 2015	<u>171</u>

Deferred income comprises:

£24k rates relief grant received for financial year September 2015 to August 2016;
£22k Devolved Formula Capital received for financial year September 2015 to August 2016; and
£125k income received for school trips and activities for financial year September 2015 to August 2016.

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

21. CREDITORS:

Amounts falling due after more than one year

	2015	2014
	£000	£000
Other loans	577	73

Creditors include amounts not wholly repayable within 5 years as follows:

	2015	2014
	£000	£000
Repayable by instalments	505	-

Other loans from Salix Finance Ltd of £90k (2014: £90k) are unsecured, interest free and has fixed repayment terms up to September 2023.

Other loans from EFA under the Condition Improvement Fund of £505k (2014: £Nil) have an interest rate of 2.1% and fixed repayments terms up to August 2022.

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

22. STATEMENT OF FUNDS

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Unrestricted funds						
Unrestricted general fund	879	109	(44)	-	-	944
Restricted general funds						
Local authority grant	9	67	(70)	-	-	6
Other government grants	8	565	(573)	-	-	-
General annual grant (GAG)	595	9,042	(9,066)	-	-	571
Other income	244	450	(400)	114	-	408
Pension reserve	(2,876)	-	(204)	-	22	(3,058)
	<u>(2,020)</u>	<u>10,124</u>	<u>(10,313)</u>	<u>114</u>	<u>22</u>	<u>(2,073)</u>
Restricted fixed asset funds						
Fixed asset donations	15,678	472	(501)	(114)	-	15,535
Total restricted funds	<u>13,658</u>	<u>10,596</u>	<u>(10,814)</u>	<u>-</u>	<u>22</u>	<u>13,462</u>
Total of funds	<u><u>14,537</u></u>	<u><u>10,705</u></u>	<u><u>(10,858)</u></u>	<u><u>-</u></u>	<u><u>22</u></u>	<u><u>14,406</u></u>

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

1. Restricted general funds will be used for educational purposes in line with the Trust's objects and its funding agreement with the DfE. DfE funding is repayable if the charitable company does not meet all funding requirements.
2. Restricted fixed asset funds will be reserved against future depreciation charges.
3. Unrestricted funds are available for use at the discretion of the Trustees for the furtherance of the academy's charitable objects.
4. The transfer of £114,000 is a transfer from the restricted fixed asset fund to the restricted general fund.
5. The gain of £22,000 is an actuarial gain on the defined benefit pension scheme.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
General funds	879	109	(44)	-	-	944
Restricted funds	(2,020)	10,124	(10,313)	114	22	(2,073)
Restricted fixed asset funds	15,678	472	(501)	(114)	-	15,535
	<u>14,537</u>	<u>10,705</u>	<u>(10,858)</u>	<u>-</u>	<u>22</u>	<u>14,406</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Tangible fixed assets	-	-	15,535	15,535	15,678
Debtors due after more than 1 year	-	5	-	5	-
Current assets	944	2,721	-	3,665	2,802
Creditors due within one year	-	(1,164)	-	(1,164)	(994)
Creditors due in more than one year	-	(577)	-	(577)	(73)
Provisions for liabilities and charges	-	(3,058)	-	(3,058)	(2,876)
	<u>944</u>	<u>(2,073)</u>	<u>15,535</u>	<u>14,406</u>	<u>14,537</u>

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

24. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £000	2014 £000
Net expenditure	(153)	(564)
Returns on investments and servicing of finance	(20)	(36)
Depreciation (note 17)	501	546
Capital grants from DfE and other capital income	(472)	(35)
(Increase)/decrease in debtors	(311)	123
Increase/(decrease) in creditors	674	(389)
FRS 17 pension cost less contributions payable (note 28)	204	118
Net cash inflow/(outflow) from operations	423	(237)

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

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest received	20	36
	2015 £000	2014 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(358)	(176)
Purchase of unlisted and other investments	(269)	(674)
Capital grants received	472	35
Net cash outflow capital expenditure	(155)	(815)
	2015 £000	2014 £000
Financing		
Other new loans	18	58
Repayment of other loans	(18)	(8)
Net cash inflow from financing	-	50

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**NOTES TO THE FINANCIAL STATEMENTS
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26. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £000	Cash flow £000	Other non-cash changes £000	31 August 2015 £000
Cash at bank and in hand:	666	288	-	954
Debt:				
Debts due within one year	(17)	-	(1)	(18)
Debts falling due after more than one year	(73)	-	(504)	(577)
Net funds	576	288	(505)	359

27. CAPITAL COMMITMENTS

At 31 August 2015 the academy trust had capital commitments as follows:

	2015 £000	2014 £000
Contracted for but not provided in these financial statements	1,171	-

This capital commitment will be partly funded by a CIF loan of £505,000, to be repaid over 6 years, at 2.1% interest. The loan will be received in 2015-16 and will be repaid from September 2016 to August 2022.

28. PENSION COMMITMENTS

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

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

Contributions amounting to £119,000 were payable to the scheme at 31 August 2015 (2014 - £115,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these

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**NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (continued)

contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the year amounted to £1,025,712 (2014: £981,968).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £390,000, of which employer's contributions totalled £294,000 and employees' contributions totalled £96,000. The agreed contribution rates for future years are 21.2% for employers and 5.5% - 12.5% for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000
Equities	3.80	2,022	6.30	1,762
Government bonds	3.80	301	3.40	301
Property	3.80	246	4.50	185
Cash	3.80	164	3.30	70
Total market value of assets		<u>2,733</u>		<u>2,318</u>
Present value of scheme liabilities		<u>(5,791)</u>		<u>(5,194)</u>
Deficit in the scheme		<u><u>(3,058)</u></u>		<u><u>(2,876)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £000	2014 £000
Present value of funded obligations	(5,791)	(5,194)
Fair value of scheme assets	<u>2,733</u>	<u>2,318</u>
Net liability	<u><u>(3,058)</u></u>	<u><u>(2,876)</u></u>

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

	2015 £000	2014 £000
Current service cost	437	339
Interest cost	201	163
Expected return on plan assets / shortfall on amount used by Actuary	<u>(140)</u>	<u>(120)</u>
Total	<u><u>498</u></u>	<u><u>382</u></u>
Actual return on scheme assets	<u><u>70</u></u>	<u><u>254</u></u>

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28. PENSION COMMITMENTS (continued)

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

	2015 £000	2014 £000
Opening defined benefit obligation	5,194	3,341
Actuarial (Gains)/losses	(91)	1,281
Estimated benefits paid	(46)	(20)
Current service cost	437	339
Interest cost	201	163
Members contributions	96	90
	<u>5,791</u>	<u>5,194</u>
Closing defined benefit obligation	<u>5,791</u>	<u>5,194</u>

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

	2015 £000	2014 £000
Opening fair value of scheme assets	2,318	1,830
Actuarial gains and (losses)	(69)	34
Contributions by employer	294	264
Expected return on scheme assets	140	120
Member contributions	96	90
Estimated benefits paid	(46)	(20)
	<u>2,733</u>	<u>2,318</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £1,373,000 (2014 - £1,395,000).

The academy trust expects to contribute £317,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	74.00 %	76.00 %
Government bonds	11.00 %	13.00 %
Property	9.00 %	8.00 %
Cash	6.00 %	3.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.60 %
Rate of compensation increase	4.60 %	4.50 %
Rate of pension increase	2.70 %	2.70 %

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28. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	24.3	24.3
Females	26.6	26.6

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

Defined benefit pension schemes

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Defined benefit obligation	(5,791)	(5,194)	(3,341)	(2,828)	(2,059)
Scheme assets	2,733	2,318	1,830	1,352	939
Deficit	(3,058)	(2,876)	(1,511)	(1,476)	(1,120)
Experience adjustments on scheme liabilities	91	(1,281)	(83)	(367)	191
Experience adjustments on scheme assets	(69)	34	139	45	(73)

29. OPERATING LEASE COMMITMENTS

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

	2015 £000	2014 £000
Expiry date:		
Within 1 year	17	17
Between 2 and 5 years	12	11

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

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust's operations 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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

Mr D Lovell who is Assistant Principal and Mrs C Lovell who is a Trustee of the charitable company from April 2015, are related by marriage. During the year Mr D Lovell received remuneration, inclusive of pension costs, of £24,583. Mrs C Lovell did not receive any remuneration during the year.

31. SUMMARY ACCOUNTS FOR DE FERRERS SCHOOL FUND

Income and Expenditure for the year ended 31 August 2015

	2015 £000	2014 £000
Income	281	356
Expenditure	(278)	(380)
	<u>3</u>	<u>(24)</u>

Balance sheet as at 31 August 2015

	2015 £000	2014 £000
Debtors	43	45
Cash at bank	445	382
Deferred income	(125)	(57)
Reserves	<u>363</u>	<u>370</u>

32. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £32,000 and disbursed £32,000 from the fund. There are no undistributed funds at the balance sheet date.

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

33. 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 whilst 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 debts and liabilities contracted before he/she ceases to be a member.