

Company Registration Number: 07689980 (England and Wales)

**SUCCESS FOR ALL EDUCATION TRUST**  
**FORMERLY REDDEN COURT SCHOOL**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**



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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Members**

Simon Durrant – resigned 11/11/16  
Victor Bensilum – resigned 08/12/16  
Jonathan Coles  
Karen Pyle  
Mike Gleeson – appointed 28/11/16  
Joanna Wilkinson – appointed 10/11/2016

**Trustees**

Simon Durrant (Chair) – resigned 11/11/16  
Victor Bensilum - resigned 08/12/16  
J. Coles  
D. Anscomb - term of office ended 30/06/2016  
S. Dickson  
B. Dorrian  
A. Dowding  
J. Wilkinson (Chair) - appointed 10/11/16  
C. Mitchell  
T. Murray  
L. Phillips  
K. Pyle - resigned 5/11/2015  
J. Sargood  
A. Warren  
L. Smith - resigned 30/11/2015  
S. Shangolis - appointed 7/3/16  
P. Ward (Headteacher)  
N. Banyard – appointed 7/3/16  
S. Philpotts – appointed 7/3/16, resigned 4/7/16  
N. Goodey (Staff Governor) – appointed 15/6/15  
B. West  
M. Hoque (Staff Governor) – appointed 10/11/16

**Company Secretary**

J. Barrett

**Senior Management Team**

Headteacher  
Deputy Headteacher  
Deputy Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher  
School Business Manager

P. Ward  
L. Sexton  
F. Gilgan  
S. Thompson  
T. Greaves  
A. White  
A. Henry  
S. Carrington  
J. Barrett

**Company Name**

Redden Court School

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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<b>Principal and Registered Office</b>	Cotswold Road Romford RM3 0TS
<b>Company Registration Number</b>	07689980 (England and Wales)
<b>Independent Auditor</b>	MHA MacIntyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
<b>Bankers</b>	Lloyds Bank 1-3 Market Place Romford Essex RM1 3AA  National Westminster Bank 192 Hildene Avenue Harold Hill RM3 8DD
<b>Solicitors</b>	Ward Hadaway 1A Tower Square, Wellington Street, Leeds, LS1 4DL

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in Harold Wood. It has a pupil capacity of 750 and had a roll of 754 in the school census on 5<sup>th</sup> October 2016.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Success for All Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Success for All Educational Trust, formerly Redden Court School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members passed a resolution on the 28<sup>th</sup> November 2016 to change the company name to 'Success for All Educational Trust' and agreed to adopt new articles of association to reflect the change to Multi Academy Trust status.

**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**

Governors benefit from indemnity insurance to cover the liability of the Governors 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. The cost of this insurance in the year was included as part of the risk protection agreement set in place for all Academies that joined the pool which is based on a cost per pupil ratio.

**Method of Recruitment and Appointment or Election of Trustees**

The Trustees have the option to unanimously vote new members to the Trust and this must be done in writing under the terms of the Articles of Association. Any new members must be unanimously voted in writing and the new member must also agree this in writing.

Where there are vacancies for directors where these are parents the vacancy is advertised to parents with an election process if more nominations are made than vacancies. Where there is a staff vacancy the Headteacher advertises this to staff and an election takes place if there are more staff nominated than vacancies. The Board of directors have the power to co-opt a director on to the Board of Directors.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Policies and Procedures Adopted for the Induction and Training of Trustees**

The Governing Body has signed up to a support service from Havering Governor Services. This includes induction training plus a suite of other training courses and access to consultancy and on line training packages. The Board of Trustees has also signed up to support provision from the National Governance Association that provides support for members. The school also offer training sessions to the Governing Body and where a specific need may be identified training will be procured to ensure that training takes place.

**Organisational Structure**

The school operates a structure where the Board of Trustees are responsible for the Strategic direction of the school and holding the management team to account for delivery of services and financial probity. The Headteacher is responsible for the Operational Management of the school and distributes these responsibilities to the Senior Leadership team. The Senior Leadership team consists of two Deputy Headteachers, the School Business Manager and five Assistant Headteachers. The school holds bi-weekly Senior Leadership Team meetings to discuss the operational management of the school and make operational decisions. Strategic decisions are made by the board of trustees who meet termly and decisions are delegated to the appropriate committees that also meet at least once per term. The Headteacher is the Accounting Officer.

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

The school follows a robust pay policy which is reviewed annually. Remuneration for Senior Leaders follows a structure approved by the board of directors. An independent pay committee has delegated authority to make decisions relating to performance related pay and award of any increase in spine points or retention allowances.

On conversion to Academy status Redden Court School maintained the pay structures for maintained schools.

All staff are expected to provide a portfolio of evidence to support any requests for pay increments. Any request is considered by the Headteacher and a recommendation is made to the pay committee. The committee may seek evidence to support any recommendation, but it is ultimately the decision of the pay committee in terms of remuneration.

Remuneration for the Headteacher and senior management team as above is also considered by the pay committee.

**Related Parties and other Connected Charities and Organisations**

The Academy is part of a locality group with two other local Academy schools and other primary schools. The school works with a number of outside agencies including Social Services, local authorities, the National Health Service and the police service.

The Academy also works in partnership with Havering Sixth form College and Havering College of Further & Higher Education, to which many of the Academy's pupils transfer on completing their education at the Academy.

The Academy has a Memorandum of Understanding with The Albany Academy and Hall Mead Academy. An Educational Welfare Officer is shared by four schools in the Havering Authority and costs are split evenly. The school has also set up an agreement with seven other schools to deliver a shared cover service.

The school has been approved to lead a Multi Academy Trust and work is underway following consultation to form a Multi Academy Trust with The Royal Liberty School.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**OBJECTIVES AND ACTIVITIES**

Objects and Aims

The Academy Trust's objective 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. To promote for the benefit of the inhabitants of the London Borough of Havering and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, Strategies and Activities

The Academy's main strategy is encompassed in its mission statement which is "Committed to Success". To this end the activities include:

- Enriched curriculum with a focus on EBACC subjects

Extra curricular opportunities including

- Dance
- Drama
- Performing Arts
- Choir
- Band
- School Production
- Athletics
- Rounders
- Football
- Rugby
- Netball
- Basketball
- Duke of Edinburgh Award

Trips which included:

- Skiing to Andorra
- Outdoor Pursuits
- France – Boulogne and Paris
- Iceland
- Theatre
- Duke of Edinburgh Camping
- Local Mosque
- Duxford
- Local Business
- Coca Cola factory
- Sports fixtures at Lords, Wembley and Twickenham

Visits and Assemblies included

- Prevent
- FGM
- Drugs and Alcohol
- Social Media Security
- Holocaust survivor
- Chinese cultural workshop
- Battle of the Somme
- Recycling and Sustainability

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Governors recognise that equal opportunities should be an integral part of the good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Equal opportunity policy / Disabled Persons**

The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by making reasonable adaptations to the physical environment, by making support resources available and through training and career development:

- Pastoral care;
- Careers advice;
- Counselling;
- Home school support;
- Delivery of an enriched curriculum;
- School clubs and
- Mentoring.

**Public Benefit**

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit for the include Duke of Edinburgh Award, Zumba, Badminton, Dance, Taekwondo, Marching Band, Adult College, Fitness Clubs, Football teams, Netball and Basketball teams all that hire the premises. The school also offers the premises for community events such as fundraising quiz nights, discos and pamper evenings.

The main purpose of the Academy is to provide an education to all students admitted to the school. The Academy provides a varied curriculum to students of all abilities of an age range from 11 to 16 years old. The Academy prides itself on inclusivity and works hard to ensure accessibility to the majority of students.

The Trustees and Directors also recognise that the Academy is part of community life and as such offers the school resource for fundraising and community charitable events on a cost neutral basis. Students are educated on the services provided by Charities and students are leaders in identifying charitable causes they wish to support. The school has supported Water Aid, The Teenage Cancer Trust and St Francis Hospice, as well as MIND, LEPRO and First Step through a range of activities including Mistletoe Day, Non-Uniform Events and sponsored activities.

The school has supported the Macmillan Cancer Trust and also individuals fundraising for charitable events by offering the school premises at cost.

**STRATEGIC REPORT**

**Achievements and performance**

The Academy has just completed its fifth year of operation and is now oversubscribed and attracting significantly more applications than the forecast number of students. Total students in the year ending 31 August 2016 are 761 and the Academy has a full complement in all year groups. The Academy has agreed to admit 150 students each year from September 2011, which represents an increase of 25 students in each year group.

Examination results for 2016 were good results for the Academy with 75% of students achieving 5 A\* to C including English and Maths. The National average is still to be published but this was 56% in 2014/15. School Value Added figures are still to be published.

The Academy was inspected by Ofsted in September of 2016 and continued to be judged to be a good school.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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To ensure that standards continue to rise, the Academy operates an extensive Teaching and Learning programme using data to inform teaching and interventions vigorously where underperformance is detected.

The curriculum at Redden Court is structured to offer a 2 year KS3 with a wide range of subjects. In addition to the baccalaureate subjects, the school offers Design and Technology, Art, Music, Drama PE, RE, Citizenship, and Modern Foreign Languages in KS3. In KS4 the Academy offers a variety of pathways including an applied pathway, a vocational pathway and an academic pathway based on the Ebacc.

We also offer a wide range of extra-curricular activities, particularly in Sport, The Performing Arts, Duke of Edinburgh and additional GCSE's.

The opportunity for work experience is offered to all students at the end of Year 10. Our PE department is extremely successful and hosts a number of teams in all year groups that compete in all the local school leagues.

**Key Performance Indicators**

In the 2016 examinations 75% of our Y11 cohort achieved 5A\* to C grades including English and Mathematics (National average 56% in 2015), 59% of students achieved the English Baccalaureate (National Average 24% in 2015). In terms of the new performance measures the school's Progress 8 score was 0.4 and the Attainment 8 score was 57 both of which are likely to be significantly above the National Average. The school remains heavily oversubscribed with over 650 applications for our 150 places in the new Year 7 and significant waiting lists for all other year groups. Overall student attendance remains consistently above 96% (National average 94%) which places us in the upper quartile of schools nationally. Redden Court School continues to recruit staff of a high calibre who contribute to the Academy's overall success. These trends in our main KPI's are consistent over time and regularly significantly above the national average.

**Going Concern**

The Board of Trustees recognise the significant impact that the current funding freeze is having on school finances. The Board of Trustees has made it clear that financial viability and outcomes are the key foci. Budgets have been forecast to 2019 and key curriculum changes have been agreed to support efficiencies and financial viability. Further budgetary cuts or impacts from a National Funding Formula are a concern as is the growth of High Needs students within the school that require specialist support. The board of trustees recognise the need to be strategic and make decisions to realise the key foci. 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. The Board of Trustees also recognise that to maintain results in the economic environment is extremely challenging and efficiencies that have minimal effect on student achievement have now been exhausted. Expansion and move to a Multi Academy Trust are the only methods that future financial viability can be sustained unless a national funding formula will benefit schools in Havering which are amongst the poorest funded boroughs in London.

The Board of Trustees are entering in to an agreement for The Royal Liberty School to join the Multi Academy Trust. Due diligence in terms of this transfer has been completed by the appointed solicitors. Initial forecasts of proposed income and expenditure suggest that there is a deficit circa £50,000 to December 2017. The Headteacher of The Royal Liberty School has been asked how this budget will be balanced.

Both Redden Court and The Royal Liberty Schools are set to expand from 2018 and 2019 respectively. This will bring in additional income. The Royal Liberty School holds reserves of £94,000 that will see them through to September 2018. It will be for the Board of Trustees to make decisions and in year savings that will seek to balance budgets over the next 20 months.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**FINANCIAL REVIEW**

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes.

Redden Court School is committed to Success for all. Strong Financial Management is at the forefront of this success to ensure that all income generated for our students is spent in order to maximise their potential. The current funding climate is one where Redden Court School has seen a 1.1% reduction in income through the Minimum Funding Guarantee since 2013. There will be no increase in funding from government until at least the next parliament in 2020. Costs continue to increase based on inflation, salary increases, Pension Contribution increases and the recent changes to abolish the rate for employers whose staff had contracted into a Pension Scheme.

All of this means that efficiency is key and opportunities to manage cash flow, investment and reserves are paramount.

The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from DfE. In accordance with SORP 2015, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2016, total expenditure of £5,638,080 was covered by recurrent grant funding from the EFA together with other incoming resources. The deficit (excluding the FRS 102 actuarial adjustment) for the year was £119,991.

The expenditure of the Academy has fully supported the improvements in results that have been made by the students. Investment in staff and in to the resources and maintenance of the building has ensured a safe and happy working environment where staff are well trained, enthusiastic and deliver a well rounded curriculum. Our students achieve and say they enjoy learning. This is further emphasised by the added value that the school achieves and the levels of attainment that have been detailed above.

At 31 August 2016 the net book value of fixed assets was £12,202,195 and movements in tangible fixed assets are shown in the note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy

The Academy held fund balances at 31 August 2016 of £10,518,014 comprising (£2,012,830) of restricted funds, £12,202,195 of restricted fixed asset funds and £328,649 of unrestricted general funds and a pension reserve deficit of £2,197,000.

In accordance with FRS102, the Academy received an actuarial assessment of pension scheme deficit. The deficit balance is included within the balance sheet as at 31 August 2016 and is shown in note 23 to the financial statements.

**Reserves Policy**

The aim of the Governing Body each year is to deliver a balanced budget and consider how best to meet student needs through staffing, utilities, goods and services and accommodation costs.

Should there be a need to spend money outside of the agreed budget this would have to be presented to the Resources Committee of the school for approval if outside of the Headteacher's agreed limit in line with the School's Financial Policy. Only with approval will reserves be used to fund any project or overspend.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Governors review the reserve levels of the Academy annually. The level of reserves at 31 August 2016 is £10,518,014. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amounts held in fixed assets and restricted funds) is £328,649.

**Charity Reserves and Defined Benefit Pension Schemes**

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 23. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors, and represent half a month's worth of Academy expenditure. The aim of the Governors is to increase this reserve to meet future working capital requirements.

At 31 August 2016 the total funds comprised:

Unrestricted	£328,649
Restricted:	
Fixed asset funds	£12,202,195
GAG	£184,170
Pension reserve	(£2,197,000)
	<u>£10,518,014</u>

**Investment Policy**

The Trust holds no investments but adopts judicious treasury management of its cash reserves.

The school currently operates three bank accounts. One is the main account for all grant income. The other two hold savings that the school has had since conversion to Academy and holds non ring fenced income.

Interest rates are very low and the reserves held remain in the bank as being tied into any schemes realises increased risks and the amounts do not warrant investment, given they will cover one payroll month at present. All investment is through Lloyds Bank Current Account and NatWest Account. Interest is realised from the current surplus.

**Principal Risks and Uncertainties**

The Trustees, together with the Senior Leadership Team, have assessed the major risks to which the Academy is exposed; in particular relating to specific teaching, provision of facilities and other operational areas of the Academy and its finances. The Governors consider that various systems are in existence to assess risks that the school faces. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains the Academy has entered in to the Education Funding Agency's Risk Protection Arrangement.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The principal risks facing the Academy are:

**Reputational risk – mitigated by**

- School to maintain profile through media, marketing and maintain public image through lettings and community engagement.
- Ensure any controversial decisions are well supported through the Governing Body.
- To review where Trustee may have high profile.
- Expense policy is in place for trustees.
- Trustees engaged in to school life and invited in to the school to support and challenge and feel part of the school. Training to ensure role is understood.
- Ensure goods and services are procured and Best Value principles are put in place.
- School maintains suitable salary structure for the size of the school.
- School to ensure allocated budget is spent on students and consider saving where long term project is agreed.
- School to self-evaluate and be supported by Governors to ensure any poor service is improved and eradicated.
- To develop procedures that reduces potential for fraud and loss.
- To maintain service with the Local Authority that supports the school to ensure it complies with Health and Safety Legislation and act appropriately where an incident does occur.
- To regularly review risks and control measures.
- To secure HR advice and guidance regarding and dismissal procedures.
- To avoid any potential litigation where possible from the side of the Academy. Where litigation is involved to ensure compliance to the law.

**Performance risk – mitigated by**

- School to regularly review quality of reports presented to Governors. Governors to take responsibility for asking for more information where they feel reports may be inadequate.
- Ensure Management Information is extrapolated on time for meaningful review.
- Governors and SLT to demand that Information provided is up to date and relevant to the success of the Academy.
- To ensure action planning is in place following discussions on review of MI.
- Governors and Managers to review level of detailed information to inform decision making process.

**Financial Risk** – The principal financial risks are a freeze on funding and reduction annually of the Minimum Funding guarantee, a reduction in pupil numbers, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by:

- Budget Forecasting.
- Maximising teaching capacity.
- Restructuring the Curriculum to deliver requirements within Funding agreement.
- Ensuring Financial Probity.
- Review and Monitoring of Financial Policies.
- Adherence to Academies Financial Handbook.
- Continually review for efficiencies.
- Ensure Grant income is used for appropriate purpose. Governors to review how this income is being spent.
- Business Manager to ensure Grant requirements are met. Where staff bid for grants conditions reported for review internally. Governors to check.
- Ensure suppliers are referenced and goods supplied prior to payment.
- To reference in advance of choosing supplier.
- Declarations of interest received and Pecuniary interest forms completed annually.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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- To add intercom to delivery area of the school as site team may not be in the office.
- To measure quality of works prior to payment.
- Ensure that contingency is in place should supplier not have stock.
- To ensure procurement and quotes are received for works to the school.
- All ordering done through Finance Office to ensure Best Value. Business Manager to review current contracts and consider Best Value.

**Risks associated with personnel – mitigated by:**

- Trustees have access to training as required. Trustees have Governance knowledge. Committee Chairs to meet on a regular basis.
- Where vacancies on Board of Trustees exists to advertise with skill sets required.
- For Chair of committees to set example and ensure that where no viable reason for poor attendance that consent is not allowed. Committees to ensure that Business is in line with Terms of Reference.
- The SLT and Chair of Governors to ensure division of responsibilities are not blurred and discuss where conflict may occur.
- All trustees complete a Pecuniary Interest Form and declarations of interest are requested at the start of any meeting.
- Responsible Officer is appointed by the Governing Body.
- All trustees given responsibilities within the school to ensure responsibilities are delegated and shared amongst the Board.
- CPD forms part of INSET to ensure understanding of Academy Status.
- School to focus on mission and values to ensure integrity. Learn from any mistakes.
- To ensure internal development opportunities for growth and to always consider succession especially where it is known that there is potential for leaders to seek promotion opportunities.
- Trustees to challenge and have SLT that questions decisions in line with Values and Objectives.
- To communicate and recognise achievement, strong leadership.
- To ensure development opportunities where possible.
- To have strong recruitment processes that challenge competencies required of applicants to the roles and robust reference and CRB checking.
- CRB checks and references from previous employer required prior to any access to children or confirming in to post.
- SLT to ensure appraisal processes are adhered to and that any capability issues are addressed.
- Advice is sought for any complex employee relations cases from Human Resource Professionals.
- Policies are strictly adhered to and that evidence is recorded regarding any employee relation issue.
- Staff have access to training to improve their competence and this forms part of an appraisal process.
- Staff have access to technical training and where this does not have impact to consider capability procedures.

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**PLANS FOR FUTURE PERIODS**

Redden Court School has been approved to lead a Multi Academy Trust by the Department for Education. The school has been through consultation with the wider school community and the school will convert from a Single Academy Trust to a Multi Academy Trust in 2016/17. The Royal Liberty School is set to join the Multi Academy Trust from January 2017.

The school has been approached by the Local Authority to expand by a further two forms of entry. The Governing Body has considered this request and will consult with a view to expansion from September 2019.

High Needs Provision in Havering has seen a spike in demand and many students with Autistic Spectrum Disorder are having to seek provision out of borough. Redden Court has been approached to change the current provision from Speech and Language to Autism to meet the high demand and take on additional students. A new building to accommodate has been planned with the view this will be completed by Easter 2017. There are delays currently due to funding.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

Redden Court School does not act as a Custodian Trustee on behalf of others.

**AUDITOR**

In so far as the trustees are aware:

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

The Governing Body are satisfied that the auditor is delivering value for money and as such has reappointed Macintyre Hudson to complete audit work for the Academy Trust. Due diligence will be required and costings in terms of seeking best value once the Multi Academy Trust is formed.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2016 and signed on the Board's behalf by:



**Joanna Wilkinson**

Chair of Trustees

**7 December 2016**

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**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**GOVERNANCE STATEMENT**

**Scope of Responsibility**

As trustees we acknowledge we have overall responsibility for ensuring that Redden Court School 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 Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Redden Court School 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 3 times during the year and the Resources committee has met on 6 occasions. Further committees include Teaching and Learning and Student Matters. Attendance during the year at meetings of the board of trustees was as follows:

**Governors Attendance at Meetings - 2015/16**

**Resources Committee Meetings**

<b>Resources</b>	<b>23rd Sep</b>	<b>9th Dec</b>	<b>20th Jan</b>	<b>16th Mar</b>	<b>11th May</b>	<b>22nd June</b>
Simon Durrant	Y	Y	Y	Y	Y	Y
Lynette Phillips	Y	Y	Y	Y	Y	Y
Jonathan Coles	Y	N	Y	Y	Y	Y
Colin Mitchell	Y	N	Y	Y	Y	Y
Justin Barrett- Company Secretary	Y	Y	Y	Y	Y	Y
Paul Ward	Y	Y	Y	N	Y	Y
Karen Pyle	Y	N/A	N/A	N/A	N/A	N/A
Joanna Wilkinson	Y	Y	Y	Y	Y	Y
Sotiris Shangolis	N/A	N/A	N/A	N/A	Y	Y
Dean Anscomb	N	N	Y	Y	N	Y

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**SUCCESS FOR ALL EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Full Governing Body Meetings**

	19th November 2015	3rd March 2016	7th July 2016
Simon Durrant	Yes	Yes	Yes
Dean Anscomb	Yes	Yes	N/A
Victor Bensilum	Yes	Yes	Yes
Jonathan Coles	Yes	Yes	Yes
Simon Dickson	Yes	Yes	Yes
Brian Dorrian	Yes	Yes	Yes
Colin Mitchell	Yes	Yes	Yes
Tina Murray	Yes	Yes	Yes
Lynette Phillips	Yes	Yes	Yes
Joanne Sargood	No	Yes	Yes
Lynne Smith	N/A	N/A	N/A
Alan Warren	No	Yes	Yes
Bob West	Yes	Yes	No
Karen Pyle	N/A	N/A	N/A
Alison Dowding	No	Yes	No
Paul Ward	Yes	Yes	Yes
Joanna Wilkinson	No	No	Yes
Sotiris Shangolis	N/A	N/A	Yes
Nicki Banyard	N/A	N/A	Yes
Sarah Philpotts	N/A	N/A	N/A
Nicola Goodey	No	Yes	No

This year has seen some resignations from the Governing Body and one Director that had their term of office come to an end. Four Governors were co-opted to the constitution during the year and one of these has since resigned. The school will be leading a Multi Academy Trust and resolutions have been signed by Members in relation to setting up the appropriate Articles of Association and change of company name. Membership of the MAT and constitution of Local Management Boards is currently being considered by Members and Trustees.

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to: approve, monitor and evaluate the school budget, review Financial and Premises policies. Approve expenditure of premises projects ensuring Financial Probity. Deal with staffing and personnel issues, agree staffing structures and provide a strategic direction for the allocation of funding. Lynette Phillips is the chair of the Resources Committee. Karen Pyle an expert from her role within Estates Management in the NHS has resigned from the Governing Body. Sotiris Shangolis has been appointed to the Resources Committee and he has a business and entrepreneurial background as well as being a qualified teacher.

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcome 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:

- Refining the provision of Music in the curriculum.
- Recruiting additional staff to the Humanities, Modern Foreign Languages and Technology faculties.
- Restructuring the Faculties and Teaching and Learning Responsibility awards for these.
- Reduction in the Information Communication Technology curriculum staffing costs.
- Restructure of the Senior Leadership Team to take account of the move to a MAT.
- A print solution has been embedded that prescribes to a Government Framework and that waste is minimised and delivers value for money.
- Contracts are regularly reviewed and goods and services are tendered to ensure Financial Probity.
- All staff are aware of their responsibilities in ensuring value for money.
- Delivering a Cover Supervisor Pool that has led to reduced cover costs and additional options.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Redden Court School for the period 1 September 2015 to 31 August 2016 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- 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 governors have appointed Bob West, a director as Responsible Officer. Mr West has an employment background with Coutts and is also a Chair of Finance committee at a partner Primary School. Based on this skill set the board of directors wished Mr West to provide this function.

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis the RO reports to the board of trustees, through the Full Committee on the operation of the systems of control and on the discharge of the board of trustees financial responsibilities. The RO has fulfilled the functions of his role and met with the School Business Manager and Assistant School Business Manager on a termly basis and conducted a number of checks to ensure Financial Probity. Outcomes from these reports are passed to the Business Manager and the Board of Directors. Checks include:

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

**REVIEW OF EFFECTIVENESS**

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

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

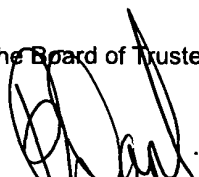
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7 December 2016 and signed on its behalf by:



**Joanna Wilkinson**

Chair of Trustees



**Paul Ward**

Accounting Officer

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**SUCCESS FOR ALL EDUCATION TRUST**  
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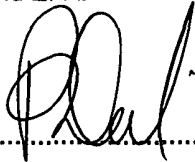
**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Success for All Education 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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 2015.

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.



.....  
**Paul Ward**  
**Accounting Officer**

Date: 7 December 2016

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who act as governors of Success for All Education Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the 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 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 7 December 2016 and signed on its behalf by:



.....  
**J Wilkinson**  
**Chair of Trustees**

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SUCCESS FOR ALL EDUCATION TRUST**

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We have audited the financial statements of Success for All Education Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Statement of Trustees' Responsibilities, 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 Financial Reporting Council'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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SUCCESS FOR ALL EDUCATION TRUST**

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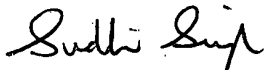
**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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.

**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
- 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.



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants & Statutory Auditor

New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: 21 December 2016

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDDEN COURT SCHOOL AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 25 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Success for All Education Trust during the year 1 September 2015 to 31 August 2016 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 Success for All Education Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Success for All Education Trust and the 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 Success for All Education Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF SUCCESS FOR ALL EDUCATION TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Success for All Education Trust's funding agreement with the Secretary of State for Education dated 1 September 2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by the 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.

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDDEN COURT SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

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The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

**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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*MHA MacIntyre Hudson*

**Reporting Accountant**

MHA MacIntyre Hudson  
Chartered Accountants

New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: *21 December 2016*

**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	12,615	-	102,837	115,452	30,061
Charitable activities	5	176,335	5,177,255	-	5,353,590	5,321,577
Other trading activities	3	47,997	-	-	47,997	46,713
Investments	4	1,050	-	-	1,050	828
<b>TOTAL INCOME</b>		<b>237,997</b>	<b>5,177,255</b>	<b>102,837</b>	<b>5,518,089</b>	<b>5,399,179</b>
<b>EXPENDITURE ON:</b>						
Raising funds		2,043	-	-	2,043	1,659
Charitable activities		131,464	5,369,548	135,025	5,636,037	5,338,247
<b>TOTAL EXPENDITURE</b>	6	<b>133,507</b>	<b>5,369,548</b>	<b>135,025</b>	<b>5,638,080</b>	<b>5,339,906</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
		104,490	(192,293)	(32,188)	(119,991)	59,273
Transfers between Funds	18	-	6,985	(6,985)	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES</b>						
		104,490	(185,308)	(39,173)	(119,991)	59,273
Actuarial losses on defined benefit pension scheme	23	-	(881,000)	-	(881,000)	(39,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>104,490</b>	<b>(1,066,308)</b>	<b>(39,173)</b>	<b>(1,000,991)</b>	<b>20,273</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		224,159	(946,522)	12,241,368	11,519,005	11,498,732
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>328,649</b>	<b>(2,012,830)</b>	<b>12,202,195</b>	<b>10,518,014</b>	<b>11,519,005</b>

The notes on pages 26 to 48 form part of these financial statements.

**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07689980**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	15		12,202,195		12,241,368
<b>CURRENT ASSETS</b>					
Debtors	16	111,760		87,175	
Cash at bank and in hand		881,949		733,972	
		<u>993,709</u>		<u>821,147</u>	
<b>CREDITORS:</b> amounts falling due within one year	17	(480,890)		(312,510)	
<b>NET CURRENT ASSETS</b>			<u>512,819</u>		<u>508,637</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>12,715,014</u>		<u>12,750,005</u>
Defined benefit pension scheme liability	23		(2,197,000)		(1,231,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>10,518,014</u></u>		<u><u>11,519,005</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted general funds		184,170		284,478	
Restricted fixed asset funds		<u>12,202,195</u>		<u>12,241,368</u>	
Restricted funds excluding pension liability		<u>12,386,365</u>		<u>12,525,846</u>	
Restricted general funds - pension reserve		<u>(2,197,000)</u>		<u>(1,231,000)</u>	
Total restricted funds	18		<u>10,189,365</u>		<u>11,294,846</u>
Unrestricted funds	18		<u>328,649</u>		<u>224,159</u>
<b>TOTAL FUNDS</b>			<u><u>10,518,014</u></u>		<u><u>11,519,005</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 7 December 2016 and are signed on their behalf, by:

  
 .....  
**J Wilkinson**  
**Chair of Trustees**

The notes on pages 26 to 48 form part of these financial statements.

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>139,942</b>	<b>277,672</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		<b>1,050</b>	<b>828</b>
Proceeds from the sale of tangible fixed assets		<b>-</b>	<b>8,264</b>
Purchase of tangible fixed assets		<b>(95,852)</b>	<b>(62,515)</b>
Capital grants from DfE/EFA		<b>102,837</b>	<b>15,880</b>
<b>Net cash provided by/(used in) investing activities</b>		<b>8,035</b>	<b>(37,543)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>147,977</b>	<b>240,129</b>
Cash and cash equivalents brought forward		<b>733,972</b>	<b>493,843</b>
<b>Cash and cash equivalents carried forward</b>	21	<b>881,949</b>	<b>733,972</b>

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**SUCCESS FOR ALL EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Success for All Education Trust constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and rounded to the nearest pound.

**First time adoption of FRS 102**

These financial statements are the first financial statements of Success for All Education Trust prepared in accordance with Financial Reporting Standard 102 (FRS 102) and the Charities SORP 2015. The financial statements of Success for All Education Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 30.

**1.2 Fund accounting**

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

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

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

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

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

**1.3 Income**

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement 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.

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

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

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and overhead costs, including support costs, involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Support costs which contribute to more than one activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All resources expended are inclusive of irrecoverable VAT.

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Going concern**

The Trustees assess whether the use of the going concern assumption is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. As noted in the Trustees' Report the Trustees are aware of all material uncertainties in relation to funding, efficiency savings and implications of becoming a MAT.

**1.6 Tangible fixed assets and depreciation**

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

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

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.

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

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

Long-term leasehold property	-	50 years straight line
Motor vehicles	-	10 years straight line
Computer equipment	-	3 years straight line

**1.7 Operating leases**

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

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

**1.8 Interest receivable**

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

**1.9 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.

**1.10 Debtors receivable and creditors payable within one year**

Debtors are recognised when the Academy Trust is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Creditors are recognised when the Academy Trust has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

**1.11 Cash at bank and in hand**

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

**1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial instruments**

The Academy Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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

**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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately after net income/expenditure in other recognised gains and losses in the Statements of Financial Activities.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.15 Critical accounting estimates and areas of judgement**

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

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

- The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
- Any change in the valuation of the leasehold property (see note 15).

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	12,615	-	-	12,615	14,181
Capital grants	-	-	102,837	102,837	15,880
	<u>12,615</u>	<u>-</u>	<u>102,837</u>	<u>115,452</u>	<u>30,061</u>

In 2015, of the total income from donations and capital grants, £14,181 was to unrestricted funds and £15,880 was to restricted fixed asset funds.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	47,997	-	47,997	46,713

In 2015 all income from other trading activities was to unrestricted funds.

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest receivable	1,050	-	1,050	828

In 2015 all income from investments was to unrestricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. CHARITABLE ACTIVITIES - FUNDING FOR EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	4,693,523	4,693,523	4,622,630
Pupil Premium	-	175,969	175,969	214,862
Other DfE/EFA Grants	-	7,500	7,500	8,000
	-	4,876,992	4,876,992	4,845,492
<b>Other government grants</b>				
Local Authority Grants	-	298,202	298,202	313,393
Other Government Grants	-	2,061	2,061	-
	-	300,263	300,263	313,393
<b>Other funding</b>				
Other Income	176,335	-	176,335	162,692
	176,335	-	176,335	162,692
	176,335	5,177,255	5,353,590	5,321,577

In 2015, of the total income from charitable activities, £162,692 was to unrestricted funds and £5,158,885 was to restricted general funds.

There are no unfulfilled conditions or other contingencies attached to the government grants above.

**6. TOTAL EXPENDITURE**

	Staff costs 2016 £	Premises costs 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds	-	-	2,043	2,043	1,659
Educational operations:					
Direct costs	3,848,373	-	470,208	4,318,581	4,215,190
Support costs	423,845	640,318	253,293	1,317,456	1,123,057
	4,272,218	640,318	725,544	5,638,080	5,339,906

In 2016, of the total expenditure, £133,507 (2015 - £261,965) was from unrestricted funds, £5,369,548 (2015 - £4,955,855) was from restricted general funds and £135,025 (2015 - £122,086) was from restricted fixed asset funds.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES**

Included within expenditure are the following transactions:

	<b>Total</b>	<b>Individual items above £5,000</b>	
	<b>£</b>	<b>Amount</b>	<b>Reason</b>
Ex-gratia payments	<b>19,667</b>	<b>10,667</b>	See below text
		<b>9,000</b>	See below text

The legal authority sought to make ex-gratia payments was in compliance with the Academies Financial Handbook 2015, being delegated authority or approval from the Education Funding Agency.

**8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>Total</b>	<b>Total</b>
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Educational operations	<b>4,318,581</b>	<b>1,317,456</b>	<b>5,636,037</b>	<b>5,338,247</b>

In 2016, of the total expenditure on charitable activities, £131,464 (2015 - £260,306) was from unrestricted funds, £5,369,548 (2015 - £4,955,855) was from restricted general funds and £135,025 (2015 - £122,086) was from restricted fixed asset funds.

**9. TOTAL SUPPORT COSTS**

	<b>Raising funds</b>	<b>Educational operations</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2016</b>	<b>2015</b>
			<b>£</b>	<b>£</b>
Defined benefit pension scheme finance cost	-	<b>47,000</b>	<b>47,000</b>	42,000
Technology costs	-	<b>57,275</b>	<b>57,275</b>	41,491
Premises costs	-	<b>535,169</b>	<b>535,169</b>	380,317
Governance costs	-	<b>23,118</b>	<b>23,118</b>	11,647
Other costs	<b>2,043</b>	<b>143,024</b>	<b>145,067</b>	164,307
Support staff costs	-	<b>376,845</b>	<b>376,845</b>	362,868
Depreciation	-	<b>135,025</b>	<b>135,025</b>	122,086
	<b>2,043</b>	<b>1,317,456</b>	<b>1,319,499</b>	<b>1,124,716</b>

In 2016, of the total expenditure on support costs, £2,043 (2015 - £9,923) was from unrestricted funds, £1,182,431 (2015 - £992,707) was from restricted general funds and £135,025 (2015 - £122,086) was from restricted fixed asset funds.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**10. GOVERNANCE COSTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - Audit of the financial statements	<b>9,905</b>	8,500
Auditors' remuneration - Other services	<b>4,520</b>	3,090
Support costs	<b>5,113</b>	57
Legal and professional fees	<b>3,580</b>	-
	<b>23,118</b>	<b>11,647</b>

In 2016 and 2015 all expenditure on governance costs was from restricted general funds.

**11. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the Charity	<b>135,025</b>	122,086
Operating lease rentals: other operating leases	<b>61,933</b>	76,750
Operating lease rentals: land and buildings	<b>90</b>	-
Auditors' remuneration - Audit of the financial statements	<b>9,905</b>	8,500
Auditors' remuneration - Other services	<b>4,520</b>	3,090
Loss on disposal of fixed assets	<b>-</b>	8,264

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**12. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	3,305,243	3,229,049
Social security costs	280,671	246,758
Operating costs of defined benefit pension schemes	609,023	558,445
	<u>4,194,937</u>	<u>4,034,252</u>
Supply teacher costs	10,614	1,887
Staff restructuring costs	19,667	-
Defined benefit pension scheme finance cost	47,000	42,000
	<u>4,272,218</u>	<u>4,078,139</u>

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

	2016 No.	2015 No.
Teachers	51	50
Administration and support	68	65
Management	9	9
	<u>128</u>	<u>124</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	2	2
In the band £90,001 - £100,000	1	1

The Key Management Personnel of the Academy Trust comprise of the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by Key Management Personnel for their services to the Academy Trust was £633,385 (2015 - £584,994).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**13. 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 Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher 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:

		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
P Ward, Headteacher and Accounting Officer	Remuneration	<b>95,000-100,000</b>	105,000-110,000
	Pension contributions paid	<b>15,000-20,000</b>	10,000-15,000
N Goodey, Staff Trustee	Remuneration	<b>25,000-30,000</b>	35,000-40,000
	Pension contributions paid	<b>0-5,000</b>	0-5,000

During the year, no Trustees received any reimbursement of expenses (2015 - £661 to 2 Trustees).

Remuneration disclosures for Trustees who resigned prior to 1 September 2015 are not reflected in the table above.

**14. TRUSTEES' AND OFFICERS' INSURANCE**

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

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**15. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Motor vehicles £	Computer equipment £	Assets under construction £	Total £
<b>Cost</b>					
At 1 September 2015	12,548,915	42,000	112,510	-	12,703,425
Additions	81,721	-	11,171	2,960	95,852
At 31 August 2016	12,630,636	42,000	123,681	2,960	12,799,277
<b>Depreciation</b>					
At 1 September 2015	379,572	15,540	66,945	-	462,057
Charge for the year	99,795	4,200	31,030	-	135,025
At 31 August 2016	479,367	19,740	97,975	-	597,082
<b>Net book value</b>					
At 31 August 2016	12,151,269	22,260	25,706	2,960	12,202,195
At 31 August 2015	12,169,343	26,460	45,565	-	12,241,368

Included in land and buildings is freehold land at valuation of £7,650,000 (2015 - £7,650,000) which is not being depreciated.

The leasehold property was professionally valued as at 20 October 2011 by Hilbery Chaplin, a RICS Registered Valuer using the Depreciated Replacement Cost method. The Trustees consider that the valuation remains appropriate for the purposes of these financial statements.

The leasehold property is owned by London Borough of Havering. The Academy Trust holds a 125 year leasehold on a peppercorn rent from 1 September 2011.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. DEBTORS**

	2016 £	2015 £
Trade debtors	4,571	3,240
VAT recoverable	65,219	22,424
Other debtors	4,120	-
Prepayments and accrued income	37,850	61,511
	<u>111,760</u>	<u>87,175</u>

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

	2016 £	2015 £
Trade creditors	189,777	57,112
Other taxation and social security	79,304	75,422
Pension contributions payable	70,600	65,504
Accruals and deferred income	141,209	114,472
	<u>480,890</u>	<u>312,510</u>

	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	89,973	68,921
Resources deferred during the year	106,994	89,973
Amounts released from previous years	(89,973)	(68,921)
Deferred income at 31 August 2016	<u>106,994</u>	<u>89,973</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2015/16 academic year in respect of;

- Condition Improvement Fund received for a project that overlaps into next financial year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General funds	224,159	237,997	(133,507)	-	-	328,649
<b>Restricted general funds</b>						
General Annual Grant (GAG)	284,478	4,693,523	(4,800,816)	6,985	-	184,170
Pupil Premium	-	175,969	(175,969)	-	-	-
Other DfE/EFA Grants	-	7,500	(7,500)	-	-	-
Local Authority Grants	-	298,202	(298,202)	-	-	-
Other Government Grants	-	2,061	(2,061)	-	-	-
Pension reserve	(1,231,000)	-	(85,000)	-	(881,000)	(2,197,000)
	(946,522)	5,177,255	(5,369,548)	6,985	(881,000)	(2,012,830)
<b>Restricted fixed asset funds</b>						
NBV of fixed assets	12,241,368	-	(32,188)	(6,985)	-	12,202,195
DfE/EFA Capital Grants	-	102,837	(102,837)	-	-	-
	12,241,368	102,837	(135,025)	(6,985)	-	12,202,195
<b>Total restricted funds</b>	11,294,846	5,280,092	(5,504,573)	-	(881,000)	10,189,365
<b>Total of funds</b>	11,519,005	5,518,089	(5,638,080)	-	(881,000)	10,518,014

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

The Unrestricted General fund represents the unrestricted funds of the Academy Trust.

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy Trust via the Education Funding Agency (EFA) by the Department for Education (DfE). The GAG fund has been established because the GAG must be used for the normal running costs of the Academy Trust.

The Pupil Premium fund has been established to recognise the restricted funding received from the Education Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

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

The Other DfE/EFA Grants fund has been created to recognise the restricted funding received from the Department for Education / Education Funding Agency which fall outside the scope of core funding.

The Local Authority Grants fund has been set up to recognise the income received from the London Borough of Havering as a contribution towards the cost of the Academy Trust's revenue expenditure. Funding received for Special Educational Needs is also recognised within Local Authority Grants. These funds are to assist with the costs incurred providing disadvantaged students with the additional educational resources that they require.

The Other Government Grants fund has been set up to recognise the restricted funding received from all other Government bodies which fall outside the scope of core funding.

The Other Activities fund has been established to recognise all other restricted income and expenditure which falls outside the scope of the Academy Trust's core funding.

The Pension Reserve has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy status, and through which all the pension scheme movements are recognised.

The NBV of Fixed Assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The DfE/EFA Capital Grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of Fixed Asset funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	12,202,195	12,202,195	12,241,368
Current assets	328,649	665,060	-	993,709	821,147
Creditors due within one year	-	(480,890)	-	(480,890)	(312,510)
Defined benefit pension scheme liability	-	(2,197,000)	-	(2,197,000)	(1,231,000)
	<u>328,649</u>	<u>(2,012,830)</u>	<u>12,202,195</u>	<u>10,518,014</u>	<u>11,519,005</u>

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**20. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(119,991)	59,273
<b>Adjustment for:</b>		
Depreciation charges	135,025	122,086
Dividends, interest and rents from investments	(1,050)	(828)
(Increase)/decrease in debtors	(24,585)	74,127
Increase/(decrease) in creditors	168,380	(40,106)
Capital grants from DfE and other capital income	(102,837)	(15,880)
Defined benefit pension scheme cost less contributions payable	38,000	37,000
Defined benefit pension scheme finance cost	47,000	42,000
<b>Net cash provided by operating activities</b>	<b>139,942</b>	<b>277,672</b>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash at bank and in hand	881,949	733,972
<b>Total</b>	<b>881,949</b>	<b>733,972</b>

**22. CAPITAL COMMITMENTS**

At 31 August 2016 the Academy Trust had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	78,363	-

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**23. PENSION COMMITMENTS**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 London Borough of Havering. Both are Multi-Employer defined Benefit Pension Schemes.

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 £70,600 were payable to the schemes at 31 August 2016 (2015 - £65,504) 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 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 previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £345,281 (2015 - £296,564).

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**23. PENSION COMMITMENTS (continued)**

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

Under the definitions set out in FRS 102, 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 2016 was £278,458 (2015 - £279,204), of which employer's contributions totalled £223,458 (2015 - £225,177) and employees' contributions totalled £55,000 (2015 - £54,027). The agreed contribution rates for future years are 40.2% for employers and 5.5 to 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.

Principal actuarial assumptions:

	<b>2016</b>	<b>2015</b>
Discount rate for scheme liabilities	<b>2.00 %</b>	3.70 %
Rate of increase in salaries	<b>3.10 %</b>	3.50 %
Rate of increase for pensions in payment / inflation	<b>2.10 %</b>	2.60 %
Commutation of pensions to lump sums (pre April 2008)	<b>50.00 %</b>	50.00 %
Commutation of pensions to lump sums (post April 2008)	<b>75.00 %</b>	75.00 %

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

	<b>2016</b>	<b>2015</b>
Retiring today		
Males	<b>22.1</b>	22.1
Females	<b>24.1</b>	24.1
Retiring in 20 years		
Males	<b>24.2</b>	24.2
Females	<b>26.7</b>	26.7

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**23. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,588,000	1,105,000
Bonds	470,000	449,000
Property	112,000	86,000
Cash	66,000	86,000
Total fair value of assets	<u>2,236,000</u>	<u>1,726,000</u>

The actual return on scheme asset from 1 October 2015 to 30 June 2016 was 8.9%.

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(261,000)	(264,000)
Net interest cost	(47,000)	(42,000)
Total operating charge	<u>(308,000)</u>	<u>(306,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	2,957,000	2,549,000
Current service cost	261,000	264,000
Interest cost	115,000	100,000
Contributions by employees	55,000	54,000
Actuarial losses	1,076,000	20,000
Benefits paid	(31,000)	(30,000)
Closing defined benefit obligation	<u>4,433,000</u>	<u>2,957,000</u>

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**23. PENSION COMMITMENTS (continued)**

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

	2016 £	2015 £
Opening fair value of scheme assets	1,726,000	1,436,000
Interest income	68,000	58,000
Actuarial gains and (losses)	195,000	(19,000)
Contributions by employer	223,000	227,000
Contributions by employees	55,000	54,000
Benefits paid	(31,000)	(30,000)
Closing fair value of scheme assets	<u>2,236,000</u>	<u>1,726,000</u>

**Reconciliation of opening to closing (deficit)**

	2016 £	2015 £
Opening balance	(1,231,000)	(1,113,000)
Current Service Cost	(261,000)	(264,000)
Net interest cost	(47,000)	(42,000)
Employer contributions	223,000	227,000
Net actuarial losses	(881,000)	(39,000)
Net defined benefit pension scheme liability	<u>(2,197,000)</u>	<u>(1,231,000)</u>

**The amounts recognised in the Balance Sheet as follows:**

	2016 £	2015 £
Closing defined benefit scheme obligation	(4,433,000)	(2,957,000)
Fair value of scheme assets	2,236,000	1,726,000
Net defined benefit pension scheme liability	<u>(2,197,000)</u>	<u>(1,231,000)</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases on equipment is:

	2016 £	2015 £
<b>Amounts payable:</b>		
Within 1 year	9,859	9,456
Between 2 and 5 years	26,673	1,857
Total	<u>36,532</u>	<u>11,313</u>

**25. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 13.

**26. POST BALANCE SHEET EVENTS**

As referred to in the Trustees' Report after the year end the Academy is in discussions with the Royal Liberty School about the prospect of forming a Multi-Academy Trust, with the Academy acting as lead partner. At the date of approval of the accounts the final decision has still to be made but it is anticipated to take place on 1 January subject to EFA/Havering approval. The Department for Education has approved Redden Court School as an Academy sponsor. The Trustees consider that the financial statements should still be prepared on the going concern basis.

**27. CONTROLLING PARTY**

There is no ultimate controlling party.

**28. COMPANY LIMITED BY GUARANTEE**

The Academy Trust is a company limited by guarantee and does not have any share capital.

**29. MEMBERS' LIABILITY**

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

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**30. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

<b>RECONCILIATION OF TOTAL FUNDS</b>	<b>Notes</b>	<b>1 September 2014</b>	<b>31 August 2015</b>
		£	£
Total funds under previous UK GAAP		11,498,732	11,519,005
Total funds reported under FRS 102		<u>11,498,732</u>	<u>11,519,005</u>

<b>Reconciliation of net income</b>	<b>Notes</b>	<b>31 August 2015</b>
		£
Net income previously reported under UK GAAP		86,273
Change in recognition of LGPS interest cost	A	(27,000)
Net movement in funds reported under FRS 102		<u>59,273</u>

Explanation of changes to previously reported funds and net income/expenditure:

A - Change in recognition of LGPS interest cost	Under previous UK GAAP the Academy Trust recognised an expected return on defined benefit plan assets in expenditure. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expenditure by £27,000 and reduce the debit in other recognised gains and losses in the Statement of Financial Activities by an equivalent amount.
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