

Staffordshire University Academies Trust

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2016

Company Registration No: 07704020
England and Wales



Staffordshire University Academies Trust

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Staffordshire University Academies Trust

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Staffordshire University Michael Gunn Allan Howells Liz Barnes Paul Richards The Church of England Central Education Trust (CECET)	Resigned 13 th September 2016 Resigned 30 th September 2016 Appointed 21 st June 2016 Resigned 31 st August 2016 Appointed 22 nd March 2016
Trustees	James Capper* Clare Heywood Allan Howells Roger Williams* Teeranlall Ramgopal* Lesley Rollason* Keith Hollins Ben Dyer Mary Walker (Chair) *members of Audit Committee	Resigned 15 th July 2016 Resigned 30 th September 2016 Appointed 11 th December 2015 Appointed 15th July 2016
Accounting Officer	Keith Hollins	
Clerk to the Trustees	Elizabeth Ball	
Registered Office	Staffordshire University Academy Marston Road Cannock Staffordshire WS12 4JH	
Company registration number	07704020	England and Wales
Independent Auditor	Moore Stephens 1 Lakeside Festival Way Festival Park Stoke on Trent ST1 5RY	
Bankers	Lloyds Bank plc 3 Market Place Cannock Staffordshire WS11 1BD	
Solicitors	Anthony Collins LLP 134 Edmund Street, Birmingham B3 2ES	
Senior Management Team	Keith Hollins Rowena Hillier Jonathan Williams Richard Sutton Rachel Bailye	Chief Executive Officer (CEO) Principal at Staffordshire University Academy Headteacher at Moorgate Primary Academy Headteacher at John Wheeldon Primary Academy Chief Operating Officer (COO) formerly Chief Finance Officer (CFO)

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TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ending 31 August 2016.

The Trust was established on 1 September 2011 and was originally known as Staffordshire University Academy Trust. During 2013/14 the Trust was encouraged actively by the Department for Education to sponsor schools in an Ofsted Category requiring a sponsor led academy solution.

At the end of June 2014 the company completed agreements with the Department for Education (DfE) to convert to a Multi-Academy Trust (MAT) enabling it to undertake the activities of additional academies. On 20th June 2014 the company changed its name from the Staffordshire University Academy Trust to the Staffordshire University Academies Trust.

On 31 August 2016 the Trust had three academies in the MAT. They were:

- Staffordshire University Academy - an 11-18 secondary school with 596 pupils on roll (opened on 1st September 2011)
- Moorgate Primary Academy – a 4 -11 primary school with 239 pupils on roll as at January 2016 census date (opened on 1st July 2014)
- John Wheeldon Primary Academy - a 4 – 11 primary school with 445 pupils on roll (opened on 1st September 2014) as at January 2016 census date

On 1st September 2016 Perton Primary Academy was the fourth academy to join the trust – a 3-9 primary school with 244 pupil on roll.

The Trust objectives, as set out in its Articles of Association, are:

- a) To advance the public benefit of education in the UK by establishing, maintaining, managing and developing schools offering a broad and balanced curriculum by providing full time or part time education for children of compulsory school age.
- b) To promote the benefit of the inhabitants of the area of where the academies are established and its surrounding area. The provision of facilities for recreation for individuals who have needs for such facilities by reason of their socioeconomic characteristics, in the interest of improving their quality of life

Structure, Governance and Management

Constitution

The Staffordshire University Academies 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 Staffordshire University Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Staffordshire University Academies Trust.

Details of the Directors / Trustees who served during the year are included in the Reference and Administrative Details.

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

The Trust Board has delegated the day-to-day responsibility to the Accounting Officer for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Staffordshire University Academies Trust and the Secretary of State for Education. The

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Accounting Officer is responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

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

In accordance with normal commercial practice the Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was £434.

Method of Recruitment and Appointment or Election of Trustees

According to the Articles of Association, Staffordshire University, as sponsor, shall appoint up to 10 sponsor Directors. It is itself a member of the company. The Directors may appoint co-opted Directors. The Trustees are Directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation.

The term of office for any Director shall be four years. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

Training is provided by the CEO and the Clerk to the Board of Trustees, to new Trustees upon appointment. The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will include training on educational, legal and financial matters. All new Trustees will be given the opportunity to tour the academies within the Trust and have the chance to meet with staff and pupils.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they need to undertake their role as Trustees.

It is expected that only a very small number of new Directors / Trustees will be appointed each year. Any induction will be carried out informally and will be tailored to the specific individual.

Organisational Structure

The Directors / Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academies within the Multi Academy Trust ("MAT") by the use of budgets and making major decisions about the direction of the Trust and its academies, capital expenditure and staff appointments.

The Trust Board should exercise its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the MAT, addressing such matters as:

- Policy development and strategic planning, including target-setting to keep up momentum on school improvement in all Academies
- Ensuring sound management and administration of the Academies, and ensuring that leaders and managers are equipped with relevant skills and guidance
- Ensuring compliance with legal requirements
- Establishing and maintaining a transparent system of prudent and effective internal controls

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- Management of the academies' financial, human and other resources (in particular control over the spending identified in the academies' development plans)
- Monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon
- Helping the Academies be responsive to the needs of parents and stakeholders and making them more accountable through consultation and reporting
- Setting the Academies' standards of conduct and values
- Assessing and managing risk

The Staffordshire University Academies Trust has a Board of Directors/Trustees responsible for overseeing the strategy and performance of the academies within the Trust. The Senior Leadership Teams in each of the academies are responsible for the implementation of strategy and the day to day operations of the Academy and are accountable to the Trust through a Local Governing Body; called a Local Academy Council (LAC). Each Academy has a dedicated Education Improvement Partner (EIP), provided through the Staffordshire University School of Education, to support the delivery of the education aims and objectives.

For 2015/16 the Board of Trustees delegated the day to day responsibility to the Accounting Officer for ensuring financial controls conform to the requirements of both propriety and good financial management. The Accounting Officer, working with each academy's leaders, controls the Academies at an executive level implementing the policies laid down by the Directors and reporting back to them. The LAC is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels usually contain a Director. Some spending control is devolved to members of the Management Team of each individual academy, with limits above which a Senior Leader must countersign.

The Management Team of each academy includes the Senior Leadership Team and Subject Leaders, and Year Leaders in the secondary Academy. These managers are responsible for the day to day operation of the academies, in particular organising the teaching staff, facilities and pupils.

Connected Organisations

Staffordshire University acts as sponsor to the Staffordshire University Academies Trust. Where feasible and in the interests of both organisations, services and resources will be shared or organised on a joint basis, at cost.

The Trust has access to an experienced team of EIPs, many of whom are based within, or connected to, the University's School of Education. OFSTED has rated the University's School of Education 'Outstanding' in every teacher training inspection since 2000. The School is a key strategic partner engaged to support the Trust's educational objectives. Academy Improvement activity is bespoke to the needs of each academy.

Examples of wider enrichment activity contributed by the sponsor include: university students working as ambassadors, visits by MAT schools to the university campus, a professor of paediatric cardiology embarking on a three year longitudinal study with academy pupils and a local premiership football team to improve health outcomes, provision of marketing expertise for the brand identity of the Trust and its Academies, HR support for leadership appointments, support from the sponsor's media team, subsidised places on courses, support for international links.

The object of this Trust is to enhance the quality of outcomes for the pupils within our academies, and of the wider community, by working together to

- Improve teaching and learning
- Provide better quality training opportunities for all staff
- Improve outcomes for young people, in our communities, by offering a full range of learning opportunities across the 3 – 19 age range, to develop cross – phase curricular developments and address personalisation, to enhance the quality of teaching and learning, for example, work with Gifted and Talented, Pupil Premium and Special Needs pupils

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- Address more effectively issues relating to families and communities, for example, work with vulnerable families and inclusion
- Tackle issues relating to attainment more effectively across the family of Academies by, for example, reducing underachievement in all groups of pupils
- Examine the potential to offer joint appointments across the MAT
- Achieve economies of scale in purchasing policy, for example, ICT procurement, ICT technical support, administrative supplies, web site support, HR services and maintenance work
- Achieve savings in planning and administrative time, and developing the potential for MAT administrative staff who can work with each Academy
- Enhance strategic planning across all phases
- Seek to develop a shared sense of identity and a common sense of purpose
- Build capacity across all phases
- Join together to access extended services
- Improve further the transition of students between phases

Each Academy also collaborates with schools in their District and with other providers if appropriate, for example, Teaching School Alliances and School direct clusters.

Arrangements for setting pay and remuneration of key management personnel

Decisions on pay are managed in a fair, just and transparent way. The aim of the Pay Policy, which is implemented in all Staffordshire University Academies Trust Academies (SUAT), is to:

- Maximise the quality of teaching and learning in the academies
- Support the recruitment and retention of a high quality workforce
- Enable the academies to recognise and reward staff appropriately for their contribution
- Help to ensure that decisions on pay are managed in a fair, just and transparent way

Pay decisions in SUAT are ratified by the Trust Board, advised by the Local Academy Councils. The DfE "A guide to the law for School Governors" provides for certain issues to be delegated to committees (rather than be dealt with by the Trust Board), and in the case of pay the Trust Board of Staffordshire University Academies Trust delegates pay decisions to its Local Academy Councils, which are a committee of the Trust Board with fully delegated powers over pay decisions. The Principal will make recommendations to this committee, but the Trust Board will, if necessary, have the final decision on all matters relating to pay.

When taking pay decisions, SUAT has regard to the Pay Policy and to the individual's particular post within the staffing structure. A copy of the staffing structure is attached to the pay policy **IN EACH ACADEMY**. The Chief Operating Officer and Chief Executive Officer each keep a central record of all of the Academies' staffing and pay structures.

All teachers employed in SUAT Academies are paid in accordance with the statutory provisions of the STPCD as updated from time to time. All support staff employed in SUAT Academies are paid in accordance with the scheme of conditions of service agreed by the National Joint Council for Local Government Services (referred to as the "Green Book").

The Board of SUAT, through the Academy Principals and LACs, consults staff and unions on this policy and review it each year, or when other changes occur to:

- a) The School Teachers' Pay and Conditions Document, to ensure that it reflects the latest legal position. The pay policy complies with the current School Teachers' Pay and Conditions Document and the accompanying statutory guidance. It is used in conjunction with them, but, in the event of any inadvertent contradictions, the Document and guidance take precedence.
- b) The scheme of conditions of service agreed by the National Joint Council for Local Government Services (referred to as the "Green Book" in this policy), as adopted and applied by SUAT Academies.

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The Trust Board has adopted the County Council's Framework of Support Staff Profiles to ensure that the requirements of the Single Status Agreement 1997 are met. The Trust Board has delegated the power to determine the job description and person specifications within the Framework, that match the duties and responsibilities covered by positions within the support staffing structure for an individual Academy, to the LAC of that academy. The pay and grading of support staff, attached to the Framework, is the single status pay and grading structure agreed by Staffordshire County Council from 1 April 2008.

Related parties and other Connected Charities and Organisations

The key questions for SUAT in relation to connected party transactions are:

- Would it be deemed contentious by the EFA
- Is it within the market norms
- If details of the transaction were in the public domain would they be newsworthy

The Academies Financial Handbook states, a trust must pay no more than 'cost' for goods or services provided to it, including from individuals or organisations connected to the academy trust. In respect of individuals working for the Trust it is more difficult to determine whether there is an element of profit for those individuals providing services rather than actual products. The Trust has decided that a good way to review whether the charge is acceptable is to assess the cost in respect of what the Trust would pay for that person if the Trust were employing them.

In order to manage conflicts of interest and maintain confidence in the Trust's use of public money the Audit Committee examines a list of the top suppliers annually, on behalf of the Directors. This also ensures that potential conflicts of interest are adequately managed and that the risk of not observing 'at cost' requirements is identified and mitigated.

The Academies Financial Handbook defines 'connected parties' as:

- Any member or director of the academy trust
- Any individual or organisation connected to a member of the academy trust
- Any individual or organisation that is given the right under SUAT's Articles of Association to appoint a member or director of the academy trust or anybody related to such individual or organisation
- Any individual or organisation that is recognised by the Secretary of State

Objectives and Activities

Objects and Aims

The principal object and activity of the company is the operation of Staffordshire University Academies Trust to advance, for the public benefit, education for students of different abilities between the ages of 3 and 19.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives. In accordance with the Articles of Association the company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academies in the Trust, the catchment areas from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

The main objectives of the Trust during the period ended 31 August 2016 are summarised below. The Trust seeks to ensure that all pupils aim to maximise their attainment by:

- Developing a culture based on high expectations for both academic success and behaviour that supports learning and improvements to pupil progress
- Creating a set of values and norms which every member of the Academy communities must

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- espouse and uphold
- Maximising the use of teaching time, for example, by cutting out the minutes that are wasted by low level disruption and poor lesson transitions
- Focussing on the basics particularly literacy and numeracy
- Achieving high levels of consistency; our pedagogy, classroom routines and behaviour policies are apparent throughout the Academies
- Seeking to reward effort as well as achievement
- Celebrating and developing resilience
- Systematically cultivating aspiration through the use of visits and role models

Objectives, Strategies and Activities

With regards to achievement and progress the principal objectives for the year have been to:

- Improve teaching and learning and assessment
- Improve levels of progress, achievement and attendance in all groups of pupils
- Review the curriculum in light of national changes to education policy
- Close identified gaps between disadvantaged and other groups of pupils
- Secure effective senior leadership and local governance
- Improve the extent and quality of pupil, parent and community engagement

It is the primary concern of each academy within the Trust to improve the standard of education provided within a safe and supportive environment.

With regards to organisational structures the key objective for the year has been to continue to consolidate the move to multi-academy trust status integrating both a secondary and two primary academies, to give an inclusive 3 to 19 provision across the Trust and to develop effective Due Diligence processes for the admission of new academies into the Trust.

The synergy between the academies, their wider partners and the university sponsor is leading to an increasing range of learning opportunities, improved practices and economies of scale as the Trust developed during 2015/16 and beyond.

Strategies to effect the objectives during the accounting period included:

- A change of leadership structure and restructure into faculties at the secondary academy
- Leadership team restructure at the primary academies
- The appointment of a new Headteacher at John Wheeldon Primary Academy
- The development and monitoring of Academy Development Plans aligned to the Trust's objectives
- The intervention of EIPs, linked to the sponsor's School of Education, in all academies to audit existing performance against Trust objectives and implement and rework the Academy Development Plans accordingly
- The introduction of strengthened literacy and numeracy policies and schemes
- Education Improvement Partners dedicated to each academy
- Fostering of new community links and greater engagement with outside agencies
- The development of links with Teaching School Alliances

The Trust's aspirations are reflected in the culture and ethos of the academies, in the way in which our communities are built upon sensitivity, tolerance and the appreciation of difference; at the heart of our work is the education of the young people in our care.

Public Benefit

The Trustees have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Directors / Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trust has provided a fully comprehensive education to all pupils in its

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care. It fully complies with all statutory guidance and seeks to widen educational objectives via a strong community role and links with its university sponsor.

There have been a significant number of activities undertaken by the academies in the Trust during the relevant financial period to further its charitable purposes for the public benefit. We feel that we make an outstanding contribution to community cohesion and the promotion of Fundamental British Values. The Trust seeks at all times to involve the academy workforces and pupil bodies in the promotion of community cohesion.

We are using the curriculum teaching and learning techniques as a tool in building community cohesion and promoting and consolidating Fundamental British Values. Within the taught curriculum each Academy's pupils learn about national, regional, ethnic and religious cultures, Fundamental British Values, the connections between them and between the UK and the wider world and they explore the concept of community cohesion and the different forces that bring about change in communities over time. Examples of this include:

- Opportunities across the curriculum to promote shared values and help pupils to value difference and challenge prejudice, discrimination and stereotyping
- Underpinned by strong local partnerships, multicultural elements of the curriculum are delivered through the Arts and by very strong links with other local schools and our global links, enhanced by the sponsor
- Our Citizenship work addresses the strand "Identity and Diversity: Living Together in the UK"
- We also have a full programme of fieldwork visits, which increase pupils' understanding of community and diversity, for example, geography students study the different socio - economic characteristics of residential areas. We have links with various and diverse places of worship in each locality. In the specialist subjects students study ethnic art and music, attend dance classes and African drumming workshops
- We provide support for pupils for whom English is an additional language; we seek to remove barriers to effective learning and enable pupils to be integrated so that they can achieve the highest possible standards. We hold assemblies that involve the local and wider community. We raise significant amounts of money and/or gifts for diverse organisations
- Our comprehensive use of data enables us to identify and tackle underperformance and we have effective policies and procedures in place to deal with discrimination, bullying and harassment; it is not tolerated
- We have worked hard to develop good partnership activities with parents and the wider community. The shared use of our facilities provides a means for our pupils to interact, as do the numerous opportunities for meaningful intercultural activities such as sport, drama, music, festivals, volunteering activities and trips

Examples include:

- A programme of links through our extensive out-of-school learning programmes and work based learning opportunities
- The Principals meet with relevant District Councillors and with the local MP
- The Academies work closely with the police and Community Police Officers, PCT and religious groups in the towns
- Our Academies invite theatre groups to visit and they visit multi ethnic events at Staffordshire University
- Trips to art galleries, media events, theatres, music concerts and dance festivals
- We participate in each community's Christmas and Arts Festivals

The academies of the Staffordshire Universities Multi Academy Trust teach pupils in the 3 – 19 age range. Pupils are admitted by adhering to the MAT's Admissions Policy. Pupils are admitted in the following order:

1. Children in Care and children who ceased to be in care because they were adopted (or became subject to a residence order or special guardianship order).

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Children who satisfy both of the following tests:

Test 1: the child is distinguished from the great majority of other applicants either on their own medical grounds or by other exceptional circumstances.

Medical grounds must be supported by a medical report (obtained by the applicant and provided at the point of application). This report must clearly justify, for health reasons only, why it is better for the child's health to attend the preferred SUAT Academy rather than any other school.

Exceptional circumstances must relate to the choice of school and the individual child, i.e. **the circumstances of the child**, not the economic or social circumstances of the parent/carer. They should be supported by a professional report (obtained by the applicant and provided at the point of application), e.g. social worker. This report must clearly justify why it is better for the child to attend the preferred SUAT Academy rather than any other school.

Test 2: the child would suffer hardship if they were unable to attend that SUAT Academy.

Hardship means severe suffering of any kind, not merely difficulty or inconvenience, which is likely to be experienced as a result of the child attending a different school. Applicants must provide detailed information about both the type and severity of any likely hardship at the time of application.

2. Children who have an elder sibling in attendance at that SUAT Academy (or in the case of the infant's Academy, the affiliated Junior Academy) and who will still be attending the Academy at the proposed admission date; (For admission purposes, a brother or sister is a child who lives at the same address and either: have one or both natural parents in common; are related by a parents marriage; are adopted or fostered by a common parent or are unrelated children who live at the same address, whose parents live as partners.)
3. Children living within the catchment area of that SUAT Academy
4. Other children arranged in order of priority according to how near their home addresses are to the main gate of the SUAT Academy, determined by a straight-line measurement as calculated by the Local Authority's Geographical Information System

Where it is not possible to accommodate all children applying for places within a particular category then places will be allocated in accordance with the remaining criteria. If for instance, all the catchment area children cannot be accommodated at the Academy, children who are resident within the catchment area will be arranged in order of priority according to the remaining criteria.

Post Balance Sheet Events

On 1 September 2016, Perton Primary Academy joined the Trust.

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STRATEGIC REPORT

Achievements and Performance

Recent and planned changes to the curriculum, the examination system and the Ofsted inspection framework present ever greater challenges to performance and achievement.

Achievements are assessed in relation to current and last year's performance, examination results, national averages and benchmarks. Summary achievements as follows:

Staffordshire University Academy

There was a significant improvement in academic performance at Staffordshire University Academy in 2016. This is a tribute to the hard work of the staff and students, the vision and energy of the Senior Leadership Team, the support of the parents / carers and the whole community and the investment of significant resources by the Trust.

KPI for GCSE	2016	2015
5A*-C including English and maths	47%	29%
A*-C in English	65%	40%
Expected Progress in English Language	71%	54%
A*-C in maths	48%	33%
Expected Progress in maths	45%	31%
Average Points Score	377	322
Capped Points Score	300	269
Attainment 8	45.29	39.59
Progress 8	-0.12	-0.34

KPI for Key Stage 5 – A level	2016	2015
Average score per A level entry	26.31	22.15
Value Added Score	-0.42	-0.81
KPI for Key Stage 5 – Applied General		
Average score per entry	37.74	42.78
Value Added Score	0.27	0.23

The attendance rate for the academic year 2015 – 2016 was 94.2%, 2014-15 was 94.4%

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STRATEGIC REPORT (*continued*)

Moorgate Primary Academy End of year Key Stage Assessments

There was a maintenance of last year's significant improvement in academic performance at the Academy in 2016. This is a tribute to the continued hard work of the staff and pupils, the vision and energy of the Senior Leadership Team and the support of the parents / carers and the whole community.

Early Years Foundation Stage (Reception)

Early Years area of Learning	School result % of children at least expected	National Result % of children at least expected	+/- indicator How school performs compared to the national figure
Communication and Language			
Listening and attention	90	86	+4%
Understanding	86	85	+1%
Speaking	79	84	-5%
Physical development			
Moving and handling	93	90	+3%
Health and self-care	97	91	+6%
Personal, social and emotional development			
Self-confidence and self-awareness	93	89	+4%
Managing feelings and behaviour	100	87	+13%
Making relationships	97	89	+8%
Literacy			
Reading	79	76	+3%
Writing	76	71	+5%
Mathematics			
Numbers	83	77	+6%
Shapes, space and measures	83	81	+2%
Understanding the world			
People and communities	83	85	-2%
The World	86	85	+1%
Technology	93	92	+1%
Expressive arts, designing and making			
Exploring using media and materials	90	88	+2%
Being imaginative	86	87	-1%

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STRATEGIC REPORT (*continued*)

Key Stage One

Results of Teacher Assessment Percentage at each level			
		Age related or better %	+/-
Reading	School	71%	-3%
	National	74%	
Writing	School	56%	-9%
	National	65%	
Mathematics	School	76%	-3%
	National	73%	
Science	School	65%	-17%
	National	82%	

Key Stage Two

Results of Teacher Assessments (Writing and Science) and SATs Scores (All other) Percentage at each level			
		Working at the expected level	+/-
Grammar, punctuation and spelling	School	79%	+7%
	National	72%	
Reading	School	66%	+0%
	National	66%	
Writing	School	83%	+9%
	National	74%	
Maths	School	72%	+2%
	National	70%	
Combined R/W/M	School	62%	+9%
	National	53%	

The attendance rate for the academic year 2015 – 2016 was 96 %, a 1% improvement on 2014-2015

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TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

John Wheeldon Primary School End of year Key Stage Assessments

There was a significant improvement in pupil outcomes this year. This is a tribute to the continued hard work of the staff and pupils, the vision and energy of the Senior Leadership Team, the investment by the Trust and the support of the parents / carers and the whole community.

Early Years Foundation Stage (Reception)

Early Years area of Learning	School result % of children at least expected	National Result % of children at least expected	+/- indicator How school performs compared to the national figure
Communication and Language			
Listening and attention	92	86	+6%
Understanding	93.3	85	+8.3%
Speaking	88	84	+4%
Physical development			
Moving and handling	94.7	90	+4.7%
Health and self-care	94.7	91	+3.7%
PSED			
Self-confidence and self-awareness	92	89	+3%
Managing feelings and behaviour	93.3	87	+6.3%
Making relationships	90.7	89	+1.7%
Literacy			
Reading	74.7	76	-1.3%
Writing	76	71	+5%
Mathematics			
Numbers	77.3	77	+0.3%
Shapes, space and measures	76	81	-5%
Understanding the world			
People and communities	89	85	+4%
The World	88	85	+3%
Technology	94.7	92	+2.7%
Expressive arts, designing and making			
Exploring using media and materials	94.7	88	+6.7%
Being imaginative	88	87	+1%

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STRATEGIC REPORT (*continued*)

Key Stage One

Results of Teacher Assessment Percentage at each level			
		Age related or better %	+/-
Reading	School	80%	+6%
	National	74%	
Writing	School	66%	+1%
	National	65%	
Mathematics	School	81%	-8%
	National	73%	
Science	School	68%	-14%
	National	82%	

Key Stage Two

Results of Teacher Assessments (Writing and Science) and SATs Scores (All other) Percentage at each level			
		Working at the expected level	+/-
Grammar, punctuation and spelling	School	73%	+1%
	National	72%	
Reading	School	55%	-11%
	National	66%	
Writing	School	73%	-1%
	National	74%	
Maths	School	68%	-2%
	National	70%	
Combined R/W/M	School	47%	-6%
	National	53%	

The attendance rate for the academic year 2015 – 2016 was 95.9 %, 2014-15 was 95.1%

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TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

Key Performance Indicators

All three academies are due to be inspected soon by OFSTED. Neither of the primary academies have been inspected since they joined the Trust.

Leadership changes, staffing restructures and dedicated Education Improvement Partners have been introduced to help address and improve the educational performance indicators and inspection category.

Financial Key Performance Indicators include comparison to actual v budget, salary cost to income, ability to set a balanced budget. Compliance with SUAT Financial Regulations Manual and internal financial controls. Compliance with SORP and FRS 102. Effectiveness of the structure and function of governance at all levels in the trust. Accuracy of year end management accounts and annual financial statements for the year. Reviewing cash flow to look for trends and show sustainability.

Financial Key Performance Indicators	Staffordshire University Academy			John Wheeldon Primary Academy			Moorgate Primary Academy		
	Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000
Income	3,834	3,720	114	2,094	1,977	117	1,170	1,137	33
Expenditure	(3,885)	(4,001)	116	(2,133)	(2,133)	-	(1,094)	(1,157)	63
Surplus/Deficit	(51)	(281)	230	(39)	(156)	117	76	(20)	96
Salary Costs	2,898	2,947	49	1,324	1,385	61	835	841	6
Income	3,834	3,720	114	2,094	1,977	117	1,170	1,137	33
Salary Costs/ Income	76%	79%	4%	63%	70%	7%	71%	74%	3%

Going concern

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

Finance Report

Most of the Trust's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31st August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

For the year ended 31 August 2016 total incoming resources of £11,168,000 and total expenditure of £7,712,000 resulted in a surplus of £3,456,000

At 31 August 2016 the net book value of fixed assets totalled £25,324,000. This included £24,967,000 for the land & buildings, £241,000 for computer equipment, £114,000 for furniture & equipment and

Staffordshire University Academies Trust

TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

£2,000 for the minibus. At 31 August 2015 the net book value of fixed assets was £21,698,000. This included £21,263,000 for the land & buildings, £397,000 for computer equipment, £31,000 for furniture & equipment and £7,000 for the minibus.

The cash flow statement shows net funds have increased by £203,000 from £983,000 at 1st September 2015 to £1,186,000 at 31 August 2016.

Restricted income fund at 31st August 2016 is £1,189,000, pension reserve is £2,877,000 deficit and unrestricted income fund is £572,000.

Reserves Policy

The Trustees have determined that the Trust should aim to have a minimum of £250,000 held in reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants, to aid cash flows, curriculum investment and expansion, make provisions for future uncertainties in income and expenditure and provide a cushion to deal with unexpected emergencies, urgent maintenance and capital projects. At 31 August 2016 unrestricted general funds amounted to £572,000 (2015: £435,000), restricted general funds (excluding pension reserve) amounted to £1,189,000 (2015: £1,347,000), resulting in a total surplus carried forward of £1,761,000 (2015: £1,782,000).

No steps have been required as the trust has maintained at least the minimum level of reserves required throughout the year.

Investment Policy

The current policy is to only invest in risk free deposit accounts.

In essence the Staffordshire University Academies Trust (SUAT) Investment Strategy is:

1. Regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the current account has adequate balances to meet forthcoming commitments. In practice a working balance of between £300,000 and £500,000 is likely to be maintained.
2. SUAT will seek to avoid its current account going overdrawn.
3. Identify funds surplus to immediate cash requirements and transfer to a fixed term deposit account or 32-day notice base linked account bearing a higher interest rate. Funds can be invested over a range of terms from 6 weeks up to 3 years, although investments for longer than 12 months are unlikely without specific permission of the Board.
4. Develop a layered fund strategy across differing terms to provide a more structured deposit strategy with regular maturities throughout the year.
5. Periodically (at least annually) the Audit Committee will review interest rates and compare with other investment opportunities.
6. SUAT's current policy is to only invest in risk free deposit accounts.
7. Treasury management will be authorised as detailed by the Scheme of Delegation.

Staffordshire University Academies Trust

TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

Principal Risks and Uncertainties

The MAT has undertaken further work during the period to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Trust's assets and reputation. The Trust has a very comprehensive Finance Manual.

Based on its mission, the Board and each academy's Senior Leadership Teams undertake a termly comprehensive review of the risks to which the Academies are exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academies. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Board and Sponsor will also consider any risks which may arise as a result of any new area of work being undertaken by the MAT.

The purpose of the financial regulation system for SUAT is to ensure that the Trust maintains and develops systems of financial control that will comply with requirements, both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the funding agreement with the Department for Education.

The Trust complies with the principles of financial control outlined in the Academies Guidance published by the Department for Education. The Financial Regulations will provide detailed information on the Trust's accounting procedures.

The SUAT Board is responsible for ensuring that adequate internal controls are in place. Some of these controls are undertaken by the Trust Board itself. In practice, these are applied through the MAT

Executive team, sub-committees to SUAT Board, Academy Principals and Local Academy Councils to ensure that the risks of error or fraudulent activity are minimised.

To ensure this the Trust Board will consider:

- Staff expertise
- Segregation of duties
- Documentation
- Register of business interests
- Financial Accounting systems and records.

This manual is to be read by all staff involved with financial systems viz.

1. Directors
2. Chief Executive Officer
3. Academy Principals
4. Academy Deputy Principals
5. Academy Assistant Principals
6. Chief Operating Officer
7. Finance Officer
8. Finance Support staff
9. The Chairs of the Local Academy Councils (LAC)

The Local Academy Council under the guidance of Trust Board will provide a framework of accountability for within their Academy.

Staffordshire University Academies Trust regularly monitor and review the Risk Register which includes the following risks and actions required to manage risk:

Staffordshire University Academies Trust

TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

STRATEGIC RISK

Risk	Details of Actions Required to Improve Controls
Failure of the individual academies to recruit sufficient learners to make them viable and react accordingly to the requirement of our stakeholders	Marketing campaign. Improved Ofsted rating. Improved links to providers. Improvements to reputation management. Link to sponsor's marketing teams.
Failure of the Trust Board to ensure that the MAT has a robust organisational approach in place to deliver governance of each academy	Meetings with CEO where appropriate. Enhance role of Clerk. Development of LAC. Principal and CEO ensure delegation for LAC.
Failure of the Trust Board to have procedures in place to cover the absence of the CEO, CFO, Clerk to the Trust Board or the Academy Principal	Succession plan for CEO and CFO required. Succession Plan in each Academy for Principal.
Failure to ensure that an adequate overall Disaster Recovery Plan is in place	Develop MAT BC Plan. Strengthen link with LA.

OPERATIONAL RISK

Risk	Details of Actions Required to Improve Controls
Failure to ensure that the quality of Management Information produced by each academy is of a high quality and timely and is good enough to aid decision	New finance system installed. Regular meetings of Principals AND/OR Academy finance staff with CEO and COO.
Failure to ensure that the Directors who are recruited to the Trust possess the skills and experience required to run the MAT	Programme of Director induction and training. Potential directors interviewed by CEO and Clerk. Potential Directors submit CV and meet Board prior to commencing their tenure.
Failure to implement an adequate Assurance mechanism	Risk on each Trust Board meeting agenda. Internal audit. External audit. Regular meetings with CEO, COO and EIP. Enhanced role for LAC

Staffordshire University Academies Trust

TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

COMPLIANCE RISK

Risk	Details of Actions Required to Improve Controls
Failure to ensure that the MAT complies with employee legislation	<p>Regular meetings with HR advisers.</p> <p>Complete suite of policies.</p> <p>Schedule risk analyses.</p> <p>Agenda item each term for Audit Committee.</p>
Failure to ensure that the Financial Reporting requirements of the MAT are met	<p>Arrange Internal Audit programme.</p> <p>Regular analysis of Risk by Audit Committee.</p> <p>Action Plan to address issues raised by Internal and External Audit.</p>

FINANCIAL RISK

Risk	Details of Actions Required to Improve Controls
Failure to ensure that the MAT maintains overall financial control in relation to its income and expenditure	<p>Regular review of Academy budgets by Finance Officer and COO.</p> <p>Weekly meeting of CEO and COO.</p> <p>Termly meeting of CEO and COO with Academy Principals.</p> <p>Termly review by Audit Committee.</p> <p>Internal Audit review termly</p>
Failure to ensure that the financial systems of the MAT are suitable and maintained	<p>Regular review of Systems by Finance Officer and CFO.</p> <p>Weekly meeting of CEO and COO.</p> <p>Termly review by Audit Committee.</p> <p>Internal Audit review termly.</p>
Failure to ensure that an adequate Disaster Recovery Plan is in place in relation to the MAT's financial systems	<p>Regular review of Disaster Recovery Plan by Audit Committee.</p> <p>Weekly meeting of CEO and COO.</p>

Staffordshire University Academies Trust

TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

Organisation

The Trust has defined the responsibilities of each person involved in the administration of Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for Directors and staff. The financial reporting structure is as follows:

The Trust Board

The Trust Board has overall responsibility for the administration of the Trust's finances. The Chief Executive Officer, Keith Hollins, acts as Accounting Officer. The Board of Directors formally delegates the day to day financial management of the budget and the responsibilities of the Accounting Officer to the Chief Executive Officer of SUAT. The CEO is supported in this task by the Chief Operating Officer, Rachel Bailye.

The financial responsibilities of The Board include:

- Ensuring the grant from the Education Funding Agency is used only for the purposes intended
- Approval of the annual budget for both the Trust and its Academies
- Appointment of the Chief Executive Officer, Chief Operating Officer and the Academy Principals
- Setting the terms of reference for the Board, its Committees and the LACs
- Approval for applications for business/credit cards
- Appointment of independent Auditors
- Approval for Bank Account
- Oversight of the Risk Register

The Risk Management Strategy aims to ensure that the Trust complies with risk management best practice and with the requirements of both the Turnbull Guidance and the HM Treasury guidance contained in publication "Management of Risk – Principles and Concepts". At The Trust risk management is embedded in our on-going risk management processes. This enables us to succeed in our aim which is to achieve an acceptable level of comfort using the available resource and for the Board to be able to report sound arrangements in annual accounts.

The current processes and responsibilities for risk management in The Staffordshire University Academies Trust can be summarised as:

- The Board acknowledges responsibility for the system of internal control
- An on-going process is in place for identifying, evaluating and managing all significant risks
- An annual process is in place for reviewing the effectiveness of the system of internal control
- There is a system in place to deal with internal control aspects of any significant issues disclosed in the annual report and accounts

In assessing what constitutes a sound system of internal control the Board gives consideration to:

- The nature and extent of the risks facing the Trust
- The extent and categories of risk which it regards as acceptable
- The likelihood of the risks concerned materialising
- The Trust's ability to reduce the incidence and impact of the risks that do materialise

The objectives for managing risk across the Academies in The Trust are:

- To comply with risk management best practice, including the Turnbull guidelines
- To ensure risks facing the trust are identified and appropriately documented
- To provide assurance to the Board that risks are being adequately controlled, or identify areas for improvement

Staffordshire University Academies Trust

TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks

The Trust's Risk Management strategy aims to:

- Outline the roles and responsibilities for risk management.
- Identify risk management processes to ensure that all risks are appropriately identified, controlled and monitored
- Ensure appropriate levels of awareness throughout the academies in the Trust

The Accounting Officer has overall responsibility for risk management and has lead responsibility for risk management processes and the Trust-wide Risk Register. This responsibility includes:

- Monitoring the performance of risk management processes
- Ensuring that appropriate controls are in place to manage identified risks
- Preparation of periodic reports to the Board.

The Risk Register is formally reviewed each half term by the Chief Operating Officer and the Accounting Officer. A Risk Management Plan is submitted annually to the Board.

The approach to risk management is linked to the MAT's strategic aims and objectives. These have been set and agreed with the Board and can be summarised, in our context, as:

- High achievement and high value added
- Outstanding leadership and management
- Outstanding infrastructure
- Financial efficiency and excellent value for money
- Inspiring and supportive culture
- Strong community and stakeholder partnerships

The structure and organisation of the MAT's Risk Register follows the above structure to ensure that all significant objectives and activities have been identified and the risks associated with each area have been identified.

The SUAT Intervention Strategy is compiled within the compass of the 'risk cycle' as identified within the Risk Register.

The Intervention Strategy is designed to complement our Risk Strategy which is premised around the framework of Risk Management.

- Risk governance – sets the tone and culture
- Risk assessment – to identify new and changing risk landscape
- Risk quantification and aggregation – enables prioritisation
- Monitoring and reporting – of performance
- Risk and control optimisation – framework of controls to optimise cost / benefit

For the purposes of this Intervention Strategy the Trust will define its Operational Risk Appetite (ORA) as "the amount and type of risk that the MAT is prepared to seek, accept or tolerate". The MAT has adopted a robust risk management framework and Intervention Strategy. We are seeking to put in place a holistic risk management approach across the organisation. The challenge is how to make incremental improvements that have high value but low impact.

We recognise that an element of risk (innovation) is good for the further development of the MAT but understand that the risk needs to be properly controlled and regulated. In simple terms, expressing ORA is a question of defining what is acceptable to the Trust and what is not. This will be achieved

Staffordshire University Academies Trust

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STRATEGIC REPORT (*continued*)

within both the Risk Management and Intervention Strategies by deciding, for each type of risk, what is acceptable, what is unacceptable, and the parameters of the area between those two i.e. what is tolerable.

In order to ensure effective monitoring and governance, the risk appetite, and attendant intervention strategies, will incorporate a balanced mix of both quantitative and qualitative measures.

Quantitative Measures – income, expenditure, student numbers

Qualitative Measures – reputation, press relations, management effort

This approach will be applied across the full range of operational risk framework components (including risk and control self-assessment and scenario analysis) and will provide us with a clear indication of proportional response to the perceived materiality of the associated risk. Specifying a timeframe for resolution will emphasise the perceived urgency and significance of the underlying issue. This will promote a consistent understanding, of risk, across the MAT.

From the perspective of SUAT as a business there are a number of benefits to be accrued by defining ORA and our intervention strategies as this will:

- Enable the Board to exercise appropriate oversight and corporate governance by defining the nature and level of risks it considers acceptable (and unacceptable) and thus setting boundaries for future activities and behaviours
- Provide a means of expressing the Senior Leadership Teams' attitude to risk, which can then be communicated throughout the academies as part of promoting a risk aware culture
- Establish a framework for decision making (which risks can be accepted/retained, which risks should be mitigated and by how much) which ensures an appropriate balance between being risk seeking and risk averse
- Improve the allocation of risk management resources by bringing focus to higher priority issues
- Ensure an enhanced view of risk expenditure so that the costs of risk do not exceed the benefits
- Align strategic goals and operational activities through optimising the balance between the development of the Trust and the related risks inherent in pursuing those goals. This will enable the strategy to be put into effect
- Encourage more conscious and effective risk management practices

1. Government funding

The Trust has considerable reliance on continued government funding through the EFA. In 2014/15, the majority of the Trust's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements
- By ensuring the Trust is rigorous in delivering high quality education and training
- Considerable focus and investment is placed on maintaining and managing key relationships with the EFA

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the Trust's balance sheet in line with the requirements of FRS 102. The details of the deficit and contribution rates for future years have been outlined in the Financial Review.

The Trustees believe that resources are deployed efficiently and effectively providing good value for money. Evidence to support this belief includes:

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TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

- Outcomes for groups and individuals generally show a trend of improvement; we are improving our ability to deploy resources to achieve positive outcomes for all groups of pupils
- The good overall condition of the site and buildings
- The programme of buildings refurbishment undertaken as part of a detailed Asset Management Plan
- The increasing level of investment in equipment and resources

Strengths of leadership and management in providing value for money include:

- Adherence to DfE financial standards
- Our Chief Operating Officer is a member of SLT in one of the academies; this provides a link between our financial processes and our ability to ensure that learning resources are sufficient to meet the demands of the curriculum and its organisation. The Accounting Officer is a former Head of a converter Academy, former Executive Principal of three other High Schools and a National Leader of Education. He is also CEO of the MAT
- Adherence to Best Value principles in contracting

Further evidence of effective leadership of financial activity includes:

- Significant investment in learning resources
- The Academies have maintained a balanced budget
- Favourable Internal and External audit reports
- Documented processes of budget allocation

Our planning for improvement aims to ensure that the human and physical resources of the Academies are adequate and able to support our priorities. In procedural and structural terms strengths include:

- Significant investment in a programme of staff learning, through the Trust's link with the outstanding School of Education at Staffordshire University. The Trust is a professional learning community
- The allocation of funding to all departments requires them to build this spending into their Development Plans and provide evidence of improved outcomes
- Allocation of capitation follows a set formula
- Teachers staffing expenditure as the highest percentage area of the budget is closely monitored to ensure that provision matches timetabled demand with no over capacity
- Benchmarking exercises show that our overheads on premises and administration are well below the averages allowing staffing resources to be focussed on teaching and education support staff. Remodelling the workforce went beyond the tasks of the workforce agreement to provide better value and focus more staff on areas of expertise

Plans for Future Periods

The Trust will continue striving to improve the levels of progress of its pupils in both tiers and will continue its efforts to ensure its pupils maximise their progress. The Trust will also attempt to increase its recruitment up to the PAN, accepting transfers from other schools and Academies into all years where possible.

The Trust aims in the future to provide the opportunity for all pupils to experience an education that is fit for purpose. To achieve this we draw up a community development plan, based on an identification and analysis of need. The plan's aim is to establish ways to benefit the wider community (from links with mainly local secondary and primary schools) and direct access to our facilities, curricular materials and the expertise of all of our employees.

The key aims and key objectives of the Trust in the immediate short term are:

- Continue to improve progress and achievement for all students

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STRATEGIC REPORT (*continued*)

- Reduction of in-Academy variation in pupils' progress across all groups but paying particular attention to vulnerable groups, SEND students and those with high IDACI scores (Income Deprivation Affecting Children Index)
- To further develop all pupils' capacity to become independent learners
- As part of the Behaviour for Learning System develop a more comprehensive rewards system and ensure consistent application
- To further develop strategies which encourage respect for other people and cultures and which promote community cohesion and Fundamental British Values
- To review and refine pupil support structures
- Develop monitoring and coaching systems to enhance further the role of teachers and mentors to support learning; strengthen further the link with Staffordshire University School of Education
- To continue to develop pedagogy and AFL
- To further develop and embed effective assessment across all subjects in response to assessment without levels agenda
- Further develop the role of staff with regards to improving the progress made by pupils, defining alternative curriculum direction, learning & teaching and behaviour. Further increase the breadth and range of curricular and extra-curricular opportunity to better meet the needs of the total pupil body in order to facilitate participation, progression and high achievement
- Develop community links and marketing strategies to increase the numbers on roll
- Ensure the careful management of the budget to provide value for money

These will be achieved by the rigorous Quality Assurance of the Trust's Strategic Plan and the individual Academy Development Plans.

Leadership and management are improving and increasingly effective. This has been confirmed by Ofsted, at the Secondary Academy. There is an emphasis on distributed and connected leadership using a robust line management system and staff are given responsibility for identifying issues and providing solutions but are also responsible for outcomes. The Senior Leadership Teams, focus their work on academy improvement and strategic developments. We also have additional capacity created by the MAT leadership arrangement and the work of the Education Improvement Partners, arranged through the School of Education. The MAT leadership structure has benefited the Academies in a number of significant ways:

- Increased status and influence for the Academies, working in partnership at local, regional and national level
- A strengthened role for the members of the LACs in the strategic planning within the Academies
- A strengthened role, and career progression, for key non - teaching staff in the leadership and management of the Academies in the Trust
- A powerful learning opportunity for some staff
- Career progression and important professional development with the evolution of a new structure throughout the MAT for both teaching and support staff
- It promotes a broader perspective within our leadership teams giving them the chance to work across three Academies, more as the Trust grows
- It has strengthened strategic and operational roles for staff at all levels
- It has increased contact through the tiers and has strengthened collaboration
- Strengthens internal system of self-review driving up standards still further
- Allows us to work with, manage and search out change
- Allows the MAT to distribute leadership and power, and improve teamwork and morale as a way of sharing vision and values
- Allows the CEO to be a 'resource investigator', investigating new initiatives and making use of the resultant funding; resources are a key driver in school improvement.
- Creates additional capacity for lesson observation and self-review through the use of the EIPs
- Focus on vision and strategy so that we get strategy and policy right

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TRUSTEES' REPORT

STRATEGIC REPORT (*continued*)

Funds held as Custodian Trustee on behalf of others

Staffordshire University Academy were holding funds of £1,673 which related to monies collected for charities but not yet paid over. £784 owed to Teenage Cancer Trust, £505 S.N.A.P and £384 Comic Relief. (2015: nil).

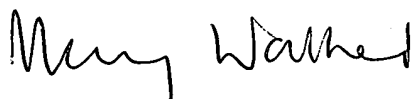
Auditors

In so far as the Trustees are aware:

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

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

The Trustees' Report including the Strategic Report was approved by order of the Board of Trustees on 16/12/2016 and signed on their behalf by:



Mary Walker
Chair

Staffordshire University Academies Trust

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform to 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 Staffordshire University Academies Trust and the Secretary of State for Education. The CEO is 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 full Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Name	Trust Board Meetings attended	Out of a Possible	
Mr B Dyer	1	3	
Mr J Capper	3	3	
Ms CL Heywood	3	3	
Mr K Hollins	3	3	
Mr A Howells	3	3	
Dr T Ramgopal	3	3	
Dr L A Rollason	2	3	
Mr R Williams	3	3	Appointed 15 th December 2015
M Walker	1	1	Appointed 15 th July 2015

The governors reviewed their performance at a strategy meeting in November 2015 with the date of the next review being November 2016.

Additionally, SUAT has three committees which are sub-committees of the Trust Board. Attendance at meetings was as follows:

Audit Committee

Mr J Capper	3	3	
Dr T Ramgopal	3	3	
Dr L Rollason	3	3	
Mr R Williams	0	2	Appointed 15 th December 2015

Education Committee

Mr J Capper	4	4	
Mr K Hollins	4	4	
Dr T Ramgopal	4	4	
Dr L Rollason	4	4	

Staffordshire University Academies Trust

GOVERNANCE STATEMENT

Resources Committee

Mr B Dyer	2	3	
Ms CL Heywood	2	3	
Mr K Hollins	3	3	
Mr A Howells	3	3	

Review of Value for Money

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

During the year the CEO / Accounting Officer has delivered improved Value for Money by ensuring that the Trust delivers:

- Improving educational results for all groups of pupils. SUAT has supported school improvement for our pupils in order to raise their attainment and aspirations. SUAT is committed to supporting our pupils achieving their full potential through academic achievement, extra-curricular opportunities and extended learning to develop the whole person to help prepare them for higher education, further training or work
- A robust tracking system for monitoring achievement
- Continual examination of how looking at how data can inform staff in order for them to support and extend the learning of the students
- A system where all our teams are focusing on the pupils learning needs and encourage innovation and creativity to meet those needs
- A differentiated curriculum in order to make the most appropriate use of resources to meet pupils' needs
- A comprehensive pupil support service and specialist learning provision. Pupils benefit from one to one mentoring, small group work, external educational provision, where appropriate, and our experienced teams work with pupils to support their individual needs
- Rewards for excellence and encouragement for positive behaviour through our rewards schemes. We celebrate achievement and encourage pupils to try new activities to develop their confidence and leadership skills
- Ensuring that where possible additional needs of individual pupils are met and appropriate resources (staff and equipment) are made available such as one to one support or stretch and challenge for the more able pupils
- By recognising the fact that Pupil Premium pupils are not a homogeneous group and cover a wide range of needs. As such the strategies we use to raise attainment take these groups and individual needs fully into account
- We use high quality teaching and learning as the preferred way to narrow the gaps in attainment in the first instance. We also use high quality interventions with proven evidence of impact to assist our pupils who need additional support in a time limited way
- We use the Pupil Premium for all year groups, not just those taking examinations at the end of the year
- Our key principles are that achievement for all pupils, including those from disadvantaged backgrounds, is best fostered in schools with an ethos of high expectations, where high quality teaching and learning is at the heart of all we do. To this end our curricula are designed and regularly reviewed to ensure that they meet the needs of all groups of pupils so that teaching and learning in the classroom is the main focus for raising achievement for all pupils
- Allocating well trained staff to teach intervention groups to improve numeracy and literacy
- Using achievement data frequently to check whether interventions or techniques are working and making adjustments accordingly, rather than just using the data retrospectively to see if something has worked
- Making sure that our support staff, particularly Teaching Assistants, are highly trained and understand their role in helping pupils to achieve systematically focusing on giving pupils clear, useful feedback about their work, and ways that they can improve

Staffordshire University Academies Trust

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- We ensure that class and subject teachers know which pupils are eligible for the Pupil Premium so that they can take responsibility for accelerating their progress
- We have a clear policy on spending the Pupil Premium, agreed by governors and publicised on each academy's website, to provide well-targeted support to improve attendance, behaviour or links with families where these are barriers to a pupil's learning
- We have adopted a clear and robust performance management system for all staff, which included discussions about pupils eligible for the Pupil Premium in performance management meetings
- Our senior staff, education Improvement Partners, Academy Council Members and governors are thoroughly involved in the decision making and evaluation process
- We are able, through careful monitoring and evaluation, to demonstrate the impact of each aspect of our spending on the outcomes for our pupils, across the SUAT
- The Partnership arrangement with the School of Education at Staffordshire University provides Value for Money by enhancing the quality of outcomes for the pupils within our academies by working together to improve teaching and learning and providing better quality training opportunities for all staff

In addition we are seeking to effect Value for Money by:

- Examining the potential to offer joint appointments across the MAT
- Achieving economies of scale in purchasing policy, for example, ICT procurement, ICT technical support, administrative supplies, maintenance work
- Achieving savings in planning and administrative time, and developing the potential for MAT administrative staff who can work with each academy
- Enhancing strategic planning across all phases and academies
- Joining together to access extended services
- Providing ICT back up through a service level agreement between providers and SUAT

SUAT has dedicated Audit and Resources Committees, who are responsible for determining SUAT's financial priorities linking this to the long term vision, the Trust's Strategic Development Plan and directions given by the Board. Advised by the Accounting Officer the Board have a strong oversight of the financial management of SUAT; and robust internal systems and controls are in place.

The Board are committed to their roles and understand their responsibilities; the terms of reference for all committees are reviewed and approved annually. All new Board Members or Local Governors receive a comprehensive induction from the Clerk to the Trust Board, Chief Operating Officer (COO) and the Accounting Officer.

The budget(s) is approved annually by the Board. All relevant staff involved in the preparation of the budget, and all financial reports, are mindful of the need to balance the budget against income to ensure the academies and SUAT remain a 'going concerns'. The committees meet termly to review our financial position, to receive reports from the COO and the Accounting Officer, and to challenge decisions. The Finance controls are reviewed annually. SUAT'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.

SUAT academies takes a prudent approach to expenditure. As approximately 80% of budget is spent on staffing, each academy's staffing structure is reviewed annually to ensure that it is fit for purpose and can adapt and respond to support the successful attainment of the objectives within the academy's development plan.

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The academies obtain three quotes for all purchases over £1,000 unless there is only a sole supplier available. The tendering process is used for all purchases over £10,000. Budget holders actively look for best value and this is overseen by the CEO and COO. The SUAT teams always assess the cost and benefits of various options before making a decision to ensure the right option for the longer term. SUAT uses compliant frameworks where appropriate, including tender processes to achieve best value for higher value procurement. On smaller value procurement, our Budget Holders are continuously looking for the most competitive deals using various procurement tools such as

Staffordshire University Academies Trust

GOVERNANCE STATEMENT

internet shopping, advice from other schools and economies of scale. We have a member of the MAT team who specifically deals with procurement and is constantly checking for best value.

The SUAT has a cycle of review for its on-going services from external organisations to ensure those services continue to meet the needs of the school, are the best available to us at that time, and offer good value for money. Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts (3 to 5 years) remain competitive.

A proactive approach is taken towards preparing funding bids and generating revenue streams in order to maximise income generation. The academies explore every opportunity to generate income through hire of the academy facilities.

A monthly cash flow forecast ensures that all surplus cash balances are invested in interest bearing account to maximise interest earning potential.

SUAT has a comprehensive Risk Register in place, which is reviewed annually by the Members, Senior Leadership Team and the Audit Committee. Risk Reports are presently termly to the Board. The SUAT academies have *Business Continuity and Disaster Recovery Management procedures in place* and also have procedures covering the recovery of the financial accounting system. The SUAT tests these procedures at regular intervals and records areas where the procedures are not sufficiently robust.

Monthly budget monitoring reports are produced by the finance team. These reports are reviewed by the CEO, COO and the Principal / Headteacher of each academy. Remedial action is taken to address any significant variances that may have an impact on the budget out-turn.

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 Staffordshire University Academies Trust for the year ended 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 year ending 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.

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 Audit 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

Staffordshire University Academies Trust

GOVERNANCE STATEMENT

- 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 to appoint an internal auditor; this is Staffordshire County Council's Internal Audit team. Their role includes giving advice on financial matters and performing a range of checks on SUAT's financial systems. On a termly basis they report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- health checks in June 2015 and March 2016
- petty cash expenses in July 2016
- procurement and contracts in Nov 2015

The internal auditors ensured that we were carrying out processes in line with our policies. Their reports were delivered on time and included their audit opinion of adequate assurance for all of the checks carried out; this was then reported to the Audit Committee.

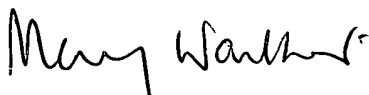
Review of Effectiveness

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

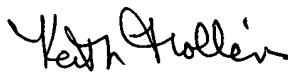
- the work of the Chief Operating Officer
- the work of the Internal Auditor
- the work of the External Auditor;
- the financial management and governance self-assessment processes within the Trust
- the work of the executive managers within the Academy Trust who have responsibility for the development 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 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 16/12/2016 and signed on its behalf by:



Mary Walker
Chair



K Hollins
Accounting Officer

Staffordshire University Academies Trust

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Staffordshire University Academies 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.

Except for the matters below, 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.

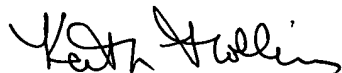
Finance leases

The Academy Trust has entered into a finance lease arrangement without seeking EFA's prior approval.

Publishing information about governance structures

The Academy Trust does not publish on its website all of the up to date details of governance arrangements.

None of the above matters have been previously reported to the EFA.



K Hollins
Accounting Officer

Date: 16/12/2016

Staffordshire University Academies Trust

Statement of Trustees Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP and the Academies Accounts Direction 2015 to 2016
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

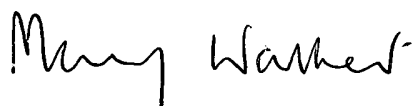
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements 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 to 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 16/12/2016 and signed on its behalf by:

Signed



Mary Walker
Chair

Staffordshire University Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Staffordshire University Academies Trust

We have audited the financial statements of Staffordshire University Academies Trust for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating 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 charitable company'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 charitable company'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 charitable company 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 for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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.

OPINION 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.

Staffordshire University Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Staffordshire University Academies Trust

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Moore Stephens

Ashley M Conway (Senior statutory auditor)
for and on behalf of

Moore Stephens, Statutory Auditor

Chartered Accountants

1 Lakeside

Festival Way

Festival Park

Stoke on Trent

Staffordshire

ST1 5RY

Date: 16/12/2016 .

Staffordshire University Academies Trust

Independent Accountant's Report on Regularity

In accordance with the terms of our engagement letter dated 1 July 2016 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 Staffordshire University Academies 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 Staffordshire University Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Staffordshire University Academies 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 Staffordshire University Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Staffordshire University Academies Trust's funding agreement with the Secretary of State for Education dated 30 June 2014, 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's income and expenditure.

Staffordshire University Academies Trust

Independent Accountant's Report on Regularity

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO STAFFORDSHIRE UNIVERSITY ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw our conclusions includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on control activities which are relevant to regularity and;
- on a sample basis, substantive testing of individual transactions.

CONCLUSION

In the course of our work, except for the matters below, 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 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Finance leases

The Academy Trust has entered into a finance lease arrangement without seeking EFA's prior approval.

Publishing information about governance structures

The Academy Trust does not publish on its website all of the up to date details of governance arrangements.

Moore Stephens

Moore Stephens
Chartered Accountants
1 Lakeside
Festival Way
Festival Park
Stoke on Trent
Staffordshire
ST1 5RY

Date: 16/12/2016

Staffordshire University Academies Trust

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 August 2016

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2016	As Restated Total 2015
Income from:	Note	£000	£000	£000	£000	£000
Donations and capital grants	2	1	-	4,281	4,282	27
Transfer from local authority on conversion		-	-	-	-	2,973
educational operations	3	182	6,653	8	6,843	7,004
Other trading activities	4	28	-	-	28	79
Investments	5	15	-	-	15	2
Total		226	6,653	4,289	11,168	10,085
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6,7	-	6,923	789	7,712	7,998
Total		-	6,923	789	7,712	7,998
Net income / (expenditure)		226	(270)	3,500	3,456	2,087
Transfers between funds	15	(89)	(37)	126	-	-
Other recognised gains / (losses):						
Actuarial (losses)/gains on defined benefit pension schemes	15,24	-	(409)	-	(409)	64
Net movement in funds		137	(716)	3,626	3,047	2,151
Reconciliation of funds						
Total funds brought forward as previously stated		435	(972)	17,573	17,036	15,727
Prior Year Adjustment		-	-	4,125	4,125	3,283
Total funds brought forward as restated		435	(972)	21,698	21,161	19,010
Total funds carried forward		572	(1,688)	25,324	24,208	21,161

All of the academy's activities derive from continuing operations during the above two financial years.

The notes on pages 40 to 61 form part of these financial statements.

Staffordshire University Academies Trust

BALANCE SHEET

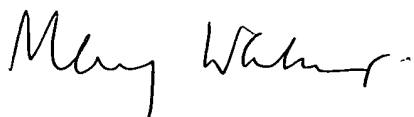
31 August 2016

Company Registration No. 07704020

		2016	2016	As restated 2015	As restated 2015
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	12		25,324		21,698
Current assets					
Debtors	13	257		204	
Investments- Short Term Deposits		1,250		1,250	
Cash at bank and in hand		1,186		983	
		<u>2,693</u>		<u>2,437</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	(932)		(655)	
Net current assets			<u>1,761</u>		<u>1,782</u>
Total assets less current liabilities			27,085		23,480
Net assets excluding pension liability			<u>27,085</u>		<u>23,480</u>
Defined benefit pension scheme liability	24		(2,877)		(2,319)
Total assets			<u>24,208</u>		<u>21,161</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	15	25,324		21,698	
Restricted income fund	15	1,189		1,347	
Pension reserve	15	(2,877)		(2,319)	
Total restricted funds			23,636		20,726
Unrestricted income funds	15		572		435
Total funds			<u>24,208</u>		<u>21,161</u>

The financial statements on pages 37 to 61 were approved by the trustees and authorised for issue on 16/12/ 2016 and are signed on their behalf by:

Mary Walker
Chair



Staffordshire University Academies Trust

CASH FLOW STATEMENT

for the year ended 31 August 2016

	Notes	2016 £000	2015 £000
Cash flows from operating activities			
Net cash provided by operating activities	18	314	325
Cash transferred on conversion		-	129
Cash flows from investing activities	19	(111)	(1,264)
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the reporting period		203	(810)
Cash and cash equivalents at 1 September 2015		983	1,793
Cash and cash equivalents at the 31 August 2016	20	1,186	983

Staffordshire University Academies Trust

ACCOUNTING POLICIES– Notes to financial statements

1. Statement of 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.

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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), (SORP 2015), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

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

First time adoption of FRS 102

These financial statements are the first financial statements of Staffordshire University Academies Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the SORP 2015. The financial statements of Staffordshire University Academies 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. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

Going Concern

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

Income

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

- **Grants receivable**

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 year 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.

Staffordshire University Academies Trust

ACCOUNTING POLICIES– Notes to financial statements

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet.

Staffordshire University Academies Trust

ACCOUNTING POLICIES– Notes to financial statements

Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Motor Vehicles 4 years

Long Leasehold Land 125 years

Long Leasehold Buildings 50 years

Furniture and equipment 4 years

Computer equipment 3 years

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

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

Financial Instruments

The academy only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactions value and subsequently measured at amortised cost.

Liabilities

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

Provisions

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

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

Investments

Investments includes long term cash deposits held at banks with maturities of three months or more.

Leased Assets

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

Staffordshire University Academies Trust

ACCOUNTING POLICIES– Notes to financial statements

Employee Termination Benefits

Termination benefits are payable when employment is terminated by the trust before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The trust recognises termination benefits in the statement of financial activities when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy. In general, SUAT will support special severance payments being paid to employees, outside of normal statutory or contractual requirements, when they are dismissed or reach an agreed termination of contract. Severance payments, specifically non-contractual elements, are always under close scrutiny by the Audit Committee of the Trust Board.

Taxation

The academy trust is considered to pass the tests set out in Paragraph I 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.

Pensions Benefits

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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 24 the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund Accounting

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

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

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

Staffordshire University Academies Trust

ACCOUNTING POLICIES– Notes to financial statements

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pensions 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.

The trustees have considered the classification of depreciation between direct and support costs. The depreciation charge has been allocated based on the proportion of full time equivalent staff that are directly attributable to direct and support costs.

Agency Arrangements

The academy trust acts as agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust do not use any of the allocation towards its own administration costs. The funds received and paid and any balances held are disclosed in note 29.

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

2. Donations and Capital Grants

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£000	£000	£000	£000
Capital Grants	-	210	210	22
Donated fixed assets from Local Authority	-	4,071	4,071	-
Donations	1	-	1	5
	1	4,281	4,282	27
2015 Total	5	22	27	

3. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£000	£000	£000	£000
DfE / EFA grants				
. General Annual Grant (GAG)	-	5,896	5,896	5,838
. Start Up Grants	-	6	6	224
. Other DfE/EFA grants	-	603	603	651
	-	6,505	6,505	6,713
Other Government grants				
. Local authority grants	-	140	140	59
	-	140	140	59
Other income from the academy trust's educational operations	182	16	198	232
	182	6,661	6,843	7,004
2015 Total	232	6,772	7,004	

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

4. Other Trading Activities

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£000	£000	£000	£000
Hire of facilities	28	-	28	79
	28	-	28	79
2015 Total	79	-	79	

5. Investment Income

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£000	£000	£000	£000
Short term deposits	15	-	15	2
	15	-	15	2
2015 Total	2	-	2	

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

6. Resources Expended

	Staff Costs	Non Pay Expenditure		Total	As restated Total
		Premises	Other	2016	2015
	£000	£000	£000	£000	£000
Expenditure on raising funds					
Academy's educational operations:					
Direct costs	4,508	122	1,078	5,708	5,480
Allocated support costs	718	782	504	2,004	2,518
	5,226	904	1,582	7,712	7,998
2015 Total	5,513	888	1,597	7,998	

Net income/(expenditure) for the period includes:

	2016	As restated 2015
	£000	£000
Operating lease rentals	14	7
Depreciation	789	569
Pension Scheme Interest Cost	89	92
(Gain)/loss on disposal of fixed assets	(8)	-
Fees payable to auditor for:		
- statutory audit	22	11
- RSMUK Audit LLP		
- other services	8	3

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

7. Charitable Activities - Academy's educational operations

	Total 2016	As Restated
	£000	Total 2015
		£000
Direct costs – educational operations	5,708	5,480
Support costs – educational operations	2,004	2,518
	7,712	7,998

Analysis of support costs	Educational Operations	Total 2016	As restated Total 2015
	£000	£000	£000
Support staff costs	718	718	726
Depreciation	191	191	431
Recruitment & Support	-	-	10
Maintenance of Premises & Equipment	170	170	215
Cleaning	129	129	162
Rent & Rates	56	56	57
Insurance	43	43	57
Security & Transport	7	7	11
Catering	200	200	215
Other Occupancy costs	117	117	148
Other Support Costs	307	307	409
Governance Costs	66	66	77
Total support costs	2,004	2,004	2,518

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

8. Staff costs

a. Staff Costs

Staff costs during the period were:

	Total 2016 £000	Total 2015 £000
Wages and salaries	4,090	4,601
Social security costs	300	288
Operating costs of defined benefit pension schemes	633	594
	5,038	5,483
Supply staff costs	147	30
Staff restructuring costs	56	-
	5,183	5,513
Staff restructuring costs comprise:		
Severance payments	56	-
	56	-

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £55,706 (2015: nil). Individually, the payments were: £8,000, £21,358, £7,500, £5,360 and £13,487.

c. Staff numbers

The average number of persons employed by the trust during the period was as follows:

	2016 No	2015 No
Teachers	64	59
Administration and support	98	97
Management	11	12
	173	168

d. Higher paid staff

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

	2016 No	2015 No
£60,001 - £70,000	2	2
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £353,826 (2015: £308,797)

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

9. Central Services

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

- | | |
|-------------------------------------|------------------------------------|
| ▪ Human Resources | ▪ Audit Services |
| ▪ Financial Services | ▪ Insurance |
| ▪ Legal Services | ▪ Communications Services |
| ▪ Educational Support Services | ▪ ICT Technical Support & Helpdesk |
| ▪ Purchasing & Procurement Services | ▪ Marketing Services |
| ▪ Facilities | ▪ Health & Safety |

The trust charges for these services based on 5% of GAG Income.

The actual amounts charged during the year were as follows:

	2016 £000	2015 £000
Staffordshire University Academy	150	169
Moorgate Primary Academy	47	48
John Wheeldon Primary Academy	78	80
	275	297

10. Related Party Transactions – Trustees' Remuneration & Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

K Hollins (accounting officer and trustee):

Remuneration £45,000 (2015: £21,350)

During the period ended 31 August 2016, travel and subsistence expenses including training courses totalling £509 were reimbursed or paid directly to 1 trustee (2015: £nil to 1 trustee).

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was £434 (2015: £1,254). The cost of this insurance is included in the total insurance cost.

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

12. Tangible Fixed Assets

	Long Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Hardware £000	Motor Vehicles £000	Total £000
Cost					
At 1 September 2015- as previously stated	17,752	37	709	22	18,520
Prior Year Adjustment	4,255	-	-	-	4,255
At 1 September 2015- as restated	22,007	37	709	22	22,775
Additions	4,259	71	94	-	4,424
Disposals	-	-	(24)	-	(24)
Reclassification	(67)	67	-	-	-
At 31 August 2016	26,199	175	779	22	27,175
Depreciation					
At 1 September 2015- as previously stated	614	6	312	15	947
Prior Year Adjustment	130	-	-	-	130
At 1 September 2015- as restated	744	6	312	15	1,077
Charged in year	506	37	241	5	789
Disposals	-	-	(15)	-	(15)
Reclassification	(18)	18	-	-	-
At 31 August 2016	1,232	61	538	20	1,851
Net book values					
At 31 August 2015- as restated	21,263	31	397	7	21,698
At 31 August 2016	24,967	114	241	2	25,324

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

13. Debtors

	2016	2015
	£0	£0
Trade debtors	3	6
VAT recoverable	113	65
Prepayments and accrued income	141	133
	257	204

14. Creditors: amounts falling due within one year

	2016	2015
	£000	£000
Trade creditors	465	246
Other taxation and social security	94	87
Other creditors	80	76
Accruals and deferred income	293	246
	932	655

Deferred income

	2016	2015
	£000	£000
Deferred income at 1 September 2015	102	-
Released from previous years	(102)	-
Resources deferred in the year	144	102
Deferred Income at 31 August 2016	144	102

At the balance sheet date Staffordshire University Academies Trust were holding funds received in advance for grants of £140,698 and other deferred income of £3,517.

Staffordshire University Academies Trust were also holding funds as a custodian trustee of £1,673 which relates to monies collected for charities and waiting to be paid over.

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

15. Funds

	Balance at 1 September 2015 (as previously stated) £000	Prior Year Adjustment	Balance at 1 September 2015 (as restated) £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2016 £000
Restricted general funds							
General Annual Grant (GAG)	1,347	-	1,347	5,896	(6,017)	(37)	1,189
Start Up Grant	-	-	-	6	(6)	-	-
Pupil Premium	-	-	-	432	(432)	-	-
Other grants	-	-	-	319	(319)	-	-
Pension reserve	(2,319)	-	(2,319)	-	(149)	(409)	(2,877)
	(972)	-	(972)	6,653	(6,923)	(446)	(1,688)
Restricted fixed asset funds							
DfE/EFA capital grants	17,573	4,125	21,698	4,289	(789)	126	25,324
	17,573	4,125	21,698	4,289	(789)	126	25,324
Total restricted funds	16,601	4,125	20,726	10,942	(7,712)	(320)	23,636
Total unrestricted funds	435	-	435	226	-	(89)	572
Total funds	17,036	4,125	21,161	11,168	(7,712)	(409)	24,208

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

General annual grant

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

Start Up Grant

This grant is to support any additional temporary costs the school incurs for a period after the academy opens. This covers both staff resource management and training costs along with learning materials for teaching.

Pupil Premium Grant

This applies to free school meals for pupils whose parents are on reduced levels of income.

Devolved Capital Grant

The purpose of this grant is to fund capital expenditure within the school.

Special Educational Needs (SEN) Grant

Teaching assistant resource is supplied from this in order to accommodate any SEN students.

Teacher Grant

The fund provided helps to provide any supply cover for the school along with helping implement the graduate teacher program and masters in teaching and learning.

16-19 Bursary

This is a bursary to supply discretionary payments to low income families.

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

Transfers

Transfers between the restricted general fund and the restricted fixed asset fund are for fixed asset purchases. Transfer from the unrestricted fund and the restricted general fund is a prior year classification adjustment.

Analysis of academies by fund balance

Fund balances at 31 August 2016 were allocated as follows:

	Total	Total as restated
	2016	2015
	£000	£000
Staffordshire University Academy	1,087	1,123
Moorgate Primary Academy	255	215
John Wheeldon Primary Academy	396	444
Central services	23	-
Total before fixed assets and pension reserve	1,761	1,782
Restricted fixed asset fund	25,324	21,698
Pension reserve	(2,877)	(2,319)
Total	24,208	21,161

Total Cost analysis by academy

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

	Teaching & Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (Excluding Depreciation)	Total
	2016				
	£000	£000	£000	£000	£000
Staffordshire University Academy	2,489	409	198	554	3,650
Moorgate Primary Academy	723	113	44	192	1,072
John Wheeldon Primary Academy	1,205	140	75	328	1,748
Central Services	91	56	-	157	304
Academy Trust	4,508	718	317	1,231	6,774

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

16. Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	25,324	25,324
Current assets	572	2,121	-	2,693
Current liabilities	-	(932)	-	(932)
Pension scheme liability	-	(2,877)	-	(2,877)
Total net assets	572	(1,688)	25,324	24,208

17. Commitments under Operating Leases

Operating Leases

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

	2016 £000	2015 £000
Amounts due within one year	14	7
Amounts due between one and five years	30	5
Amounts due after five years	-	-
	44	12

18. Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2016 £000	As restated 2015 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	3,456	2,087
Adjusted for:		
Depreciation charges	789	569
Profit on sale of tangible fixed assets	(8)	
Capital grants from DfE and other capital income	(210)	(22)
Interest receivable	(15)	(2)
Defined benefit pension scheme cost less contributions payable	60	91
Defined benefit pension scheme finance cost	89	92
(Increase)/decrease in debtors	(53)	451
Increase/(decrease) in creditors	277	32
Transfer from local authority of land and buildings	(4,071)	(2,973)
Net cash provided by Operating Activities	314	325

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

19. Cash Flows from Investing Activities

	2016	2015
	£000	£000
Interest Received	15	2
Proceeds from sale of tangible fixed asset	17	-
Investment in fixed term deposit	-	(1,250)
Purchase of tangible fixed assets	(353)	(38)
Capital grants from DfE/EFA	210	22
Net cash provided by / (used in) investing activities	(111)	(1,264)

20. Analysis of cash and cash equivalents

	2016	2015
	£000	£000
Cash in hand and at bank	1,186	983
Total cash and cash equivalents	1,186	983

21. Non Cash Transaction

The trust received land and property by way donation from the Local Authority in respect of Moorgate Primary Academy for an amount of £4,070,000.

22. Contingent Liabilities

As at 31 August 2016, the academy had one potential contingent liability for £20,000 regarding a staff settlement which is still ongoing. (2015: £nil).

23. 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.

24. Pension and similar obligations

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

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

Contributions amounting to £80,000 were payable to the schemes at 31 August 2016 (2015: £76,000) and are included within creditors.

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

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% from September 2015, which was payable from September 2015. The next valuation of the TPS will be March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £412,171. (2015: £346,860).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2016 was £324,000 (2015: £334,000), of which employer's contributions totalled £250,000 (2015: £256,000) and employees' contributions totalled £74,000 (2015: £78,000). The agreed contribution rates for future years are 22.2% per cent for employers and on a variable scale, depending on salary for employees (which ranges from 5.5% to 8.5%).

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

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	At 31 August 2016	At 31 August 2015
Rate of increase in salaries	2.50%	4.60%
Rate of increase for pensions in payment/inflation	2.10%	2.70%
Discount rate for scheme liabilities	2.10%	3.80%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 August 2016	At 31 August 2015
<i>Retiring today</i>		
Males	22.1	22.1
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	24.3	24.3
Females	26.6	26.6

The academy's share of the assets in the scheme were:

	Fair value at 31 August 2016	Fair value at 31 August 2015
	£000	£000
Equity instruments	1,545	1,060
Debt instruments	226	158
Property	165	129
Cash	124	86
Total market value of assets	2,060	1,432

The actual return on scheme assets was £258,000. (2015: (£2,000)).

Amounts recognised in the statement of financial activities

	2016 £000	2015 £000
Current service cost (net of employee contributions)	(310)	(347)
Net interest cost	(89)	(92)
Total operating charge	(399)	(439)

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

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

	2016 £'000	2015 £'000
At 1 September	3,751	2,558
Current service cost	310	347
Interest cost	149	129
Employee contributions	74	78
Actuarial (gain)/loss	667	(66)
Benefits paid	(14)	(12)
Amounts acquired on conversion of an academy	-	717
At 31 August	4,937	3,751

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

	2016 £'000	2015 £'000
At 1 September	1,432	839
Interest income	60	37
Actuarial gain/(loss)	258	(2)
Employer contributions	250	256
Employee contributions	74	78
Benefits paid	(14)	(12)
Amounts acquired on conversion of an academy	-	236
At 31 August	2,060	1,432

25. Interest Payable and Similar Charges

	Total 2016 £000	Total 2015 £000
Pension Interest	89	92
	89	92

26. Related Party Transactions

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

During the year the Trust purchased tuition and education improvement services, learning resources and governance reviews from Staffordshire University totalling £83,250 (2015:

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

£115,753), the amount outstanding in creditors at year end was £6,938 (2015: £nil). The University has confirmed that these services were provided at cost in accordance with the EFA guidance. The University also provided ad hoc guidance and advice, in its role as sponsor, for which it has not been possible to estimate a value. The Trustees are grateful for this continued support.

During the year Staffordshire University Academy transacted with Youth Enterprise CIC and purchased student entry to the National Enterprise Challenge event totalling £995. Ben Dyer who is a trustee for the trust is a shareholder and director of Youth Enterprise CIC. Youth Enterprise CIC has confirmed that these services were provided at cost in accordance with the EFA guidance.

27. Post balance sheet events

On 1 September 2016, Perton Primary Academy joined the Trust.

28. Explanation of Transition to FRS102

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:

	Notes	31st August 2015 £000s
Reconciliation of net income/(expenditure)		
Net income/(expenditure) previously reported under UK GAAP		1,277
Change in recognition of LGPS interest cost	A	(32)
Net income/(expenditure) reported under FRS 102		<u>1,245</u>

A) Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. 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 debit to expense by £32,000 and increase the credit in other recognised gains and losses in the SoFA by an equivalent amount. There is no effect on the net movement in funds.

B) Classification of Income & Expenditure

Income for the year ended 31st August 2015 has been reclassified into appropriate categories in accordance with the Academies Accounts Direction 2015 to 2016, based on SORP 2015.

On consideration, £150,000 of agency supply teaching and £142,000 of technician salary previously classified as support staff costs have been reclassified as direct staff costs.

Governance costs are no longer required to be separately identifiable under SORP 2015 and £77,000 has now been reclassified as Academy trust educational operations.

The reclassification of income and expenditure has no effect on the net income/(expenditure) or total funds as previously reported.

Staffordshire University Academies Trust

NOTES TO THE FINANCIAL STATEMENTS

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29. Agency Arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received £12,440 and disbursed £8,763 from the fund. An amount of £3,677 is included in other creditors relating to undistributed funds that is being carried forward for distribution in 2016-17.

30. Financial Instruments

	Total 2016 £000	Total 2015 £000
Financial assets measured at amortised cost	3	6
Financial liabilities measured at amortised cost	(465)	(246)

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors.

31. Prior Year Adjustments

In the 2015 and 2014 financial statements, the value of land at Staffordshire University Academy and John Wheeldon Primary Academy was not recognised in the Financial Statements. After further consideration of the correct treatment of land held under a 125 year lease, the Trustees have now decided to restate the prior year accounts to reflect the depreciated replacement cost of such land in accordance with the Academies Accounts Direction 2015/16. The adjustments have increased the transfer of assets on conversion by £915,000 in 2015 and £3,340,000 in 2014 and fixed asset costs by the same. As a consequence, the depreciation charge on long leasehold land and buildings has increased by £73,760 in 2015 and £57,440 in 2014. The net effect on the carrying value of fixed assets as at 31 August 2015 and the net income for the year was an increase of £841,240. The net effect on the carrying value of fixed assets as at 31 August 2014 and the net income for the year was an increase of £3,282,560.

It was discovered that costs amounting to £116,000 relating to school improvement was included in other support costs. These costs relate directly to the educational operations of the Academy and therefore a prior year adjustment has been made to reclassify £116,000 to direct costs.

Also in the prior year, depreciation charged was included within support costs. On consideration by the Trustees, a significant proportion of land and buildings and equipment is used for the provision of education. Consequently, the depreciation charge has been apportioned between direct costs and support costs. A prior year adjustment has been made to reclassify £431,000 of depreciation charges to direct costs.