

Company Registration Number: 07769085 (England and Wales)

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

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STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016

Members

Rev. T. L Bourne, Diocesan representative
D Adams, Chair of Trustees
Rev. C Davey, Incumbent
Rev. K King, PCC representative

Trustees

D Adams, Chair of Trustees
Rev. C Davey, Incumbent
Rev. T. L Bourne, Diocesan representative
T Ferguson, Vice Chair
M Hawrylak, Principal and Accounting Officer
F Garrett, Trustee
G Williams, Staff Trustee
A Herbert Trustee
K Leech, Trustee
N Elliott, Trustee
J Hardison Taylor, Staff Trustee
M Waine, Trustee
L Thain Trustee
C Stayt, Trustee

Senior Management Team

M Hawrylak, Principal
G Williams, Principal's Deputy
D Welsman, EFYS/KS1 Co-ordinator
E Davey, Office Manager

Company Secretary

E Davey

Company Name

Stisted Church of England Primary Academy Trust

Principal and Registered Office

Stisted Church of England Primary Academy Trust
The Street
Stisted
Braintree
Essex
CM77 8AN

Company Registered Number

07769085

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016

Independent Auditors

MHA MacIntyre Hudson
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

Bankers

Lloyds TSB Bank Plc
1 The Sanctuary
Westminster
London
SW1P 3JT

Solicitors

Lee Bolton Monier-Williams Solicitors
1 The Sanctuary
Westminster
London
SW1P 3JT

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who are also directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Stisted Church of England Primary Academy Trust (the academy) for the year ended 31 August 2016.

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

The trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Stisted. It has a pupil capacity of 105 and had a roll of 108 in the school census on 6 October 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The trustees of Stisted Church of England Primary Academy Trust Limited are also the directors and Trustees of the Charitable Company for the purposes of Company Law. The charitable company is known as Stisted C of E Primary Academy.

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

Members Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which, by virtue of any rule of law, would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance is included in the overall insurance cost paid by the Academy Trust.

Method of Recruitment and Appointment or Election of Trustees

Three trustees are nominated by the Parochial Church Council, four are nominated by the Diocesan Board of Education, two are elected by staff, two are elected by parents and one (Community Governor) is elected by the Governing Body.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governing Body have adopted a policy for the induction and training of Trustees.

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

Organisational Structure

The Governing Body has delegated the responsibilities to committees as outlined in each of the committee's terms of reference. These committees are Finance and Premises, Pay, Human Resources and Pupil Related.

The Principal has been designated as the Accounting Officer and has the responsibility for the day to day management of the school and implementing school policies on behalf of the Governing Body.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body has agreed to honour pay increases in line with the national Teachers' pay ranges, and with Essex County Council's support staff pay scales. Staff are entitled to any and each annual increase, subject to there being no problems with the individual's ability to satisfactorily carry out their duties.

Related Parties and other Connected Charities and Organisations

Stisted Church of England Primary Academy Trust received donations from the Trustees of FOSA (Friends of Stisted Academy, Registered Charity Number 1098486) to promote the education of pupils at the Academy. Donations in the year amounted to approximately £1,000.

Stisted Church of England Primary Academy Trust received donations of £750 from the Trustees of the Bishop Gauden Foundation, Registered Charity Number 0310859, to promote the education of the pupils at the Academy.

Stisted Church of England Primary Academy Trust received donations of £447 from the Trustees of the Earls Colne and Halstead Educational Trust, Registered Charity Number 0310859, to promote the education of the pupils at the Academy.

Stisted Church of England Primary Academy Trust received donations of £1,590 from Golf Days to support the upkeep of the Multi-Use Games Area at the Academy.

One Trustee provided services to the Academy in return for remuneration at market value.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust was set up in October 2011 to advance the education of pupils at Stisted Church of England Primary Academy and maintain the school's vision statement.

The Academy Trust aims to provide the children who attend Stisted Church of England Primary Academy with the best all-round education within a caring Christian family environment, recognising and responding to the different starting points, personalities and talents of all the children so that they become responsible confident learners and thoughtful members of society.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Objectives, Strategies and Activities

To offer all children equal access to the National Curriculum, and in particular Mathematics, English, Science, ICT and RE:

- To offer all children a differentiated curriculum which is both challenging and motivating;
- To foster a sense of belonging, where all may feel valued and secure in a caring atmosphere based on Christian principles;
- To provide a safe, secure and happy environment;
- To provide a 'people' orientated environment;
- To encourage children to value the achievements of others;
- To develop the children's ability to build effective relationships with adults and their peers;
- To work in partnership with parents, teachers, trustees and the wider community for the benefit of the school and children.

Public Benefit

The trustees of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit, published by the Charity Commission, in exercising their powers and duties. The key public benefit, delivered by Stisted Church of England Primary Academy, is to maintain and develop the high quality education provision by the school for children in Stisted village and the surrounding areas.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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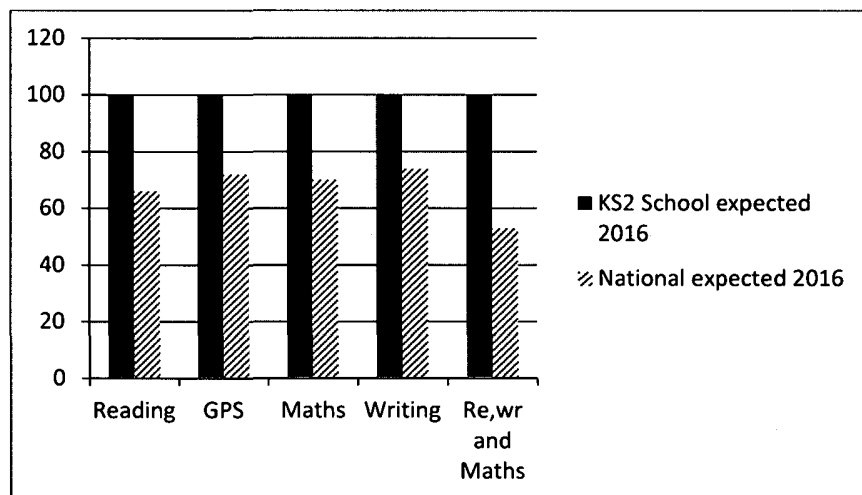
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

STRATEGIC REPORT

Achievements and performance

Key Stage 2

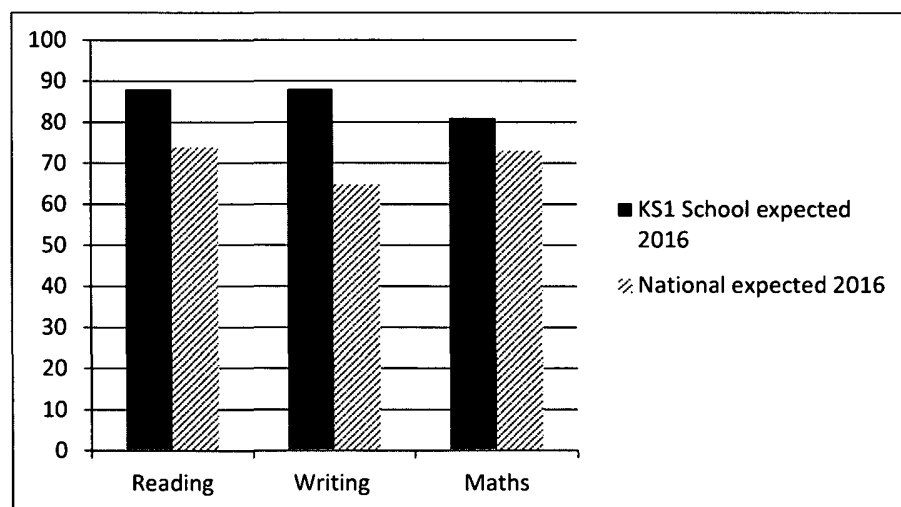
The graph below shows that the standards attained by pupils at Stisted Primary Academy at the end of Key Stage 2 in 2016 were higher than those achieved nationally.



GPS – Grammar, spelling punctuation

Key Stage 1

The graph below shows that the standards attained by pupils at Stisted Primary Academy at the end of Key Stage 1 in 2016 were higher than those achieved nationally.

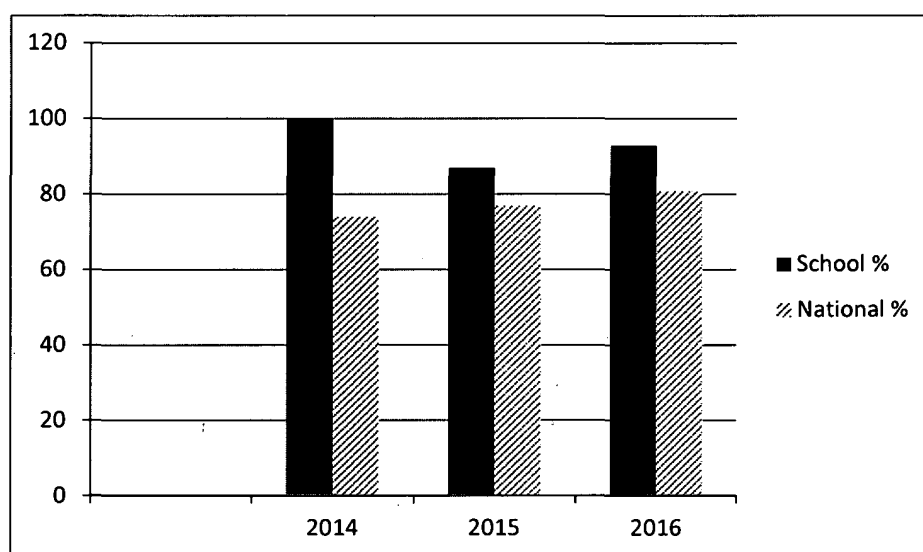


STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

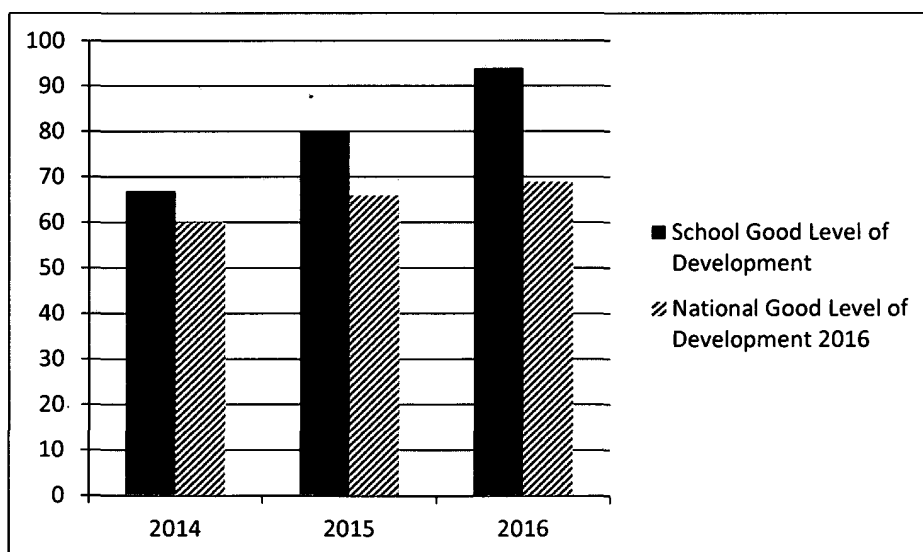
Key Stage 1 - Year 1 Phonics

The graph below shows that the proportion of Year 1 pupils at Stisted Primary Academy passing the phonic screening check was higher than the national rate.



Early Years Foundation Stage

The graph below shows that the proportion of pupils who achieved a Good Level of Development at Stisted Primary Academy at the end of the Early Years Foundation stage is higher than the national rate.



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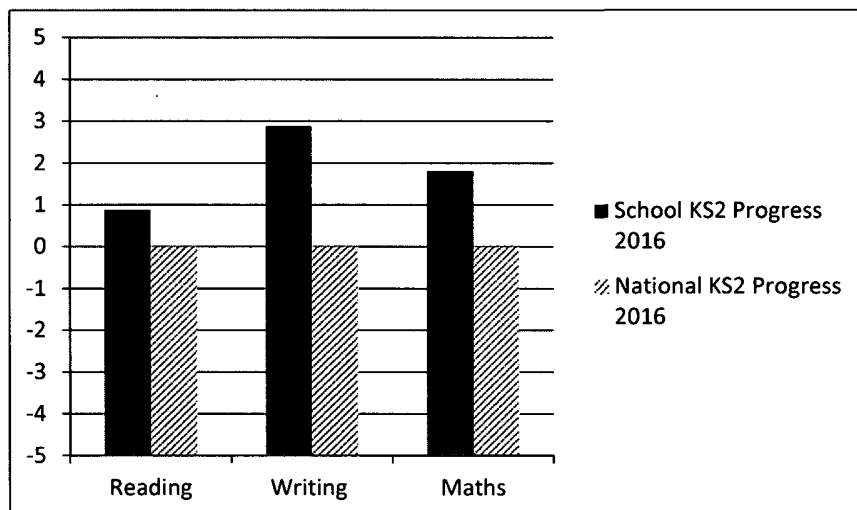
TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Performance Indicators

This section focuses on the progress children make at Stisted Primary Academy

Key Stage 2

The graph below shows that the progress made by pupils at Stisted Primary Academy. It shows the progress the Year 6 cohort made from Key Stage 1 to Key Stage 2 (2012-2016) was greater than the national average rate of progress.

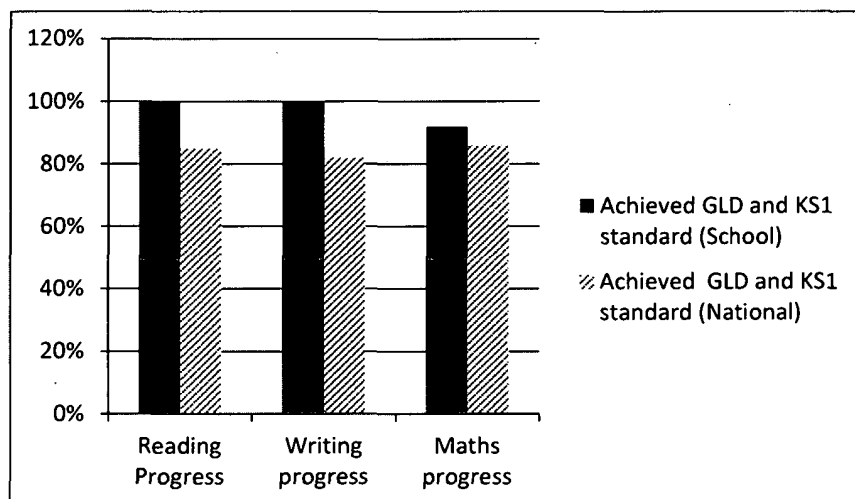


Key Stage 1

The graph below shows that the progress made by pupils at Stisted Primary Academy in terms of the proportion of pupils achieving a Good Level of Development at the end of the Early Years Foundation Stage who went on to achieve the national standard or above at the end of Key Stage 1. The graph shows progress was greater than the national average rate of progress.

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



KS – Key Stage GLD – Good Level of Development

Going Concern

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

FINANCIAL REVIEW

Reserves Policy

Under its Funding Agreement with the Secretary of State for Education, Stisted Church of England Primary Academy is allowed to hold reserves at the year end, as specified in paragraph 72 of the Funding Agreement.

The Trustees' Finance and Premises Committee has reviewed these reserve levels and believe that they should provide sufficient working capital to cover delays in spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work. Under normal circumstances the Trustees would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion.

At 31 August 2016 the total funds comprised:

Unrestricted funds:	£62,314
Restricted funds:	
Fixed Asset Funds	£2,690,665
GAG	£nil
Non-GAG	£nil
Pension reserve	(£342,000)
Total funds	£2,410,979

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

The deficit in the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees. The aim of the Trustees is to increase this reserve to meet future working capital requirements.

Investment Policy

Apart from the cash held for the operation of the school there are no realisable investments. However, the Academy Trust has a current account with Lloyds on which the Academy Trust receives a small amount of interest.

Principal Risks and Uncertainties

The principal risks facing the Academy are:

- Reputational risk – mitigated by continued highly effective education and being a small village church school.
- Performance risk – mitigated by continued high quality of expertise of the staff of the Academy Trust and the quality of leadership by the principal.
- Financial risk – the principal funding risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by continued popularity as a high performing school that is over-subscribed. The financial cost is low because as a small school, it is easier to manage and predict likely teacher costs. Due to the extensive building in phase one (2003) and phase two (2010), major capital repairs are unlikely.

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

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

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

PLANS FOR FUTURE PERIODS

Key Priority 1	Peer Coaching Link Professional Development with the personal professional needs of each teacher including sharing of good practice and expertise within the school.
Desired Outcome	Set up a peer coaching model for professional development where teachers identify their own professional needs and take responsibility for pursuing this with support of a colleague through peer coaching. Roll this out to support staff next year. The impact on pupils is that they will receive new or higher quality experiences in specific areas which will differ from class to class because they are linked to each teacher's needs.
Cost	Max £2500 from the professional development budget although expertise within the school will be tapped into or other schools where necessary. There may be some need for supply cover and or resources. The Headteacher's role will be to facilitate this and direct or make arrangements for external support or resources requiring funding.
Action	Headteacher to introduce the concept to teaching staff and link agreed personal development targets with Performance Management Appraisals. Headteacher to timetable and allocate 6 staff meetings solely for peer coaching. Headteacher to give direction for peer coaching sessions so that teacher's agree actions points and commitments and review and share their progress at subsequent sessions.
End date	Cycle intended to be completed by July 2017 and outcomes feedback at each teacher's Performance Management Cycle in Autumn 2017
Key Priority 2	Religious Education Improve children's cultural understanding, knowledge and understanding of other faiths with specific reference to Islam
Desired Outcome	By the end of Key Stage 2, all children will be able to name a range of world faiths including Christianity, Islam, Judaism and Hinduism and identify and understand similarities between them.
Cost	£500 for resources
Action	Headteacher and Deputy will visit an Islamic Mosque and receive training from a SACRE representative in the teaching of ISLAM. Whole staff to examine the current Scheme of Work for RE with specific reference to multi-faith teaching and amend chronology and or content to ensure it is suitably designed to meet the desired outcome.
End date	Ongoing, although over a 4 year period it is expected that Year 6 will improve year on year their knowledge and understanding of the similarities between world faiths.

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

Key Priority 3	Pupil Premium and progress Track careful identified groups of pupils from Raise Online and ensure provision is as effective as it can be for identified groups from Raise Online and in house data with specific reference to girls reading progress and Year 4 disadvantaged pupils.
Desired Outcome	Girls at Key Stage make better than national progress in reading. Disadvantaged pupils in Year 4 are on track to achieve the expected standard at the end of Year 6. All groups of pupils make better than average progress taking into account their
Cost	£500 for resources. One to one tuition if necessary.
Action	Alert all staff to pupil progress measures. Class teachers, Literacy and Maths Coordinators to monitor and feedback to the headteacher taking steps where necessary to ensure targeted pupils achieve as well as they can.
End date	Summer 2019 for current Year 4 disadvantaged pupils.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS.

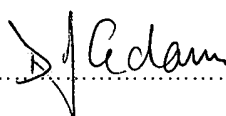
No such funds are maintained.

Auditor

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as they company directors, on 21 December 2016 and signed on the board's behalf by:


.....
D Adams
Chair of Trustees

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016**

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Stisted Church of England Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Adams (Chairman, Responsible Officer)	7	7
M Hawrylak (Principal & Accounting Officer)	7	7
Rev. C Davey (Incumbent, Ex-officio)	0	7
E Davey	2	2
J Hardison Taylor (appointed 3.12.15)	3	4
T Ferguson (Vice Chair)	7	7
F Garrett	3	7
E Coulson (resigned 14.02.16)	2	3
K Leech	3	7
A Herbert	4	7
C Stayt (resigned 28.07.16)	2	7
G Williams	2	7
M Waine	5	7
L Thain	3	7
N Eliot (appointed 27.05.16)	1	1
S Gurteen (resigned 03.01.16)	3	3

The Governing Body held a self-review during March 2016. This took place on school premises, but was conducted by an external educational consultant. Our strengths and weaknesses were identified and steps commenced to moderate any risks and build upon our strengths and successes.

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

The finance and premises committee is a sub-committee of the main board of trustees. Its purpose is to monitor all financial matters of the Academy Trust and the upkeep of the premises.

Attendance at meetings in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
D Adams (Chairman)	4	4
M Hawrylak (Principal & Accounting Officer)	4	4
T Ferguson	4	4
E Davey	1	1
M Waine	4	4
S Gurteen (resigned 03.01.16)	1	1
J Hardison Taylor (appointed 03.12.15)	3	3

REVIEW OF VALUE FOR MONEY

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

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

- The administration of the school has been reviewed including its cost and efficiency. This has resulted in a reorganisation of personnel and working practices.
- Early Years provision has been enhanced by making the best use available from within existing resources including expertise from within the school.
- ICT provision has been thoroughly reviewed and the most cost effective solution found. This has enhanced provision including giving children access to laptop computers and tablet computers at a similar cost per year than when previous ICT was secured.

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

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 Stisted Church of England Primary Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However, the trustees have temporarily appointed Derek Adams, a trustee, to carry out a programme of internal checks

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

The RO'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:

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

On a termly basis the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

During the period there were no material control issues arising as a result of the RO's work and all work was carried out in accordance with the EFA's requirements.

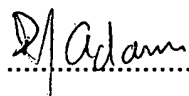
REVIEW OF EFFECTIVENESS

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

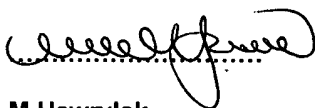
- the work of the Responsible Officer
- the work of the external auditor
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 21 December 2016
and signed on its behalf by:


.....

D Adams
Chair of Trustees


.....

M Hawrylak
Accounting Officer

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Stisted Church of England Primary Academy Trust I have considered my responsibility to notify the Academy Trust's 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's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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


.....
M Hawrylak
Accounting Officer

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

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

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

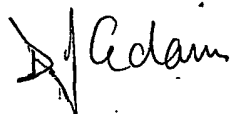
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on *21 December* and signed on its behalf by:
2016



.....
D Adams
Chair of Trustees

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST**

We have audited the financial statements of Stisted Church of England Primary Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities including the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

MHA MacIntyre Hudson

Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE
Date:

21 December 2016

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 3 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stisted Church of England Primary Academy 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 Stisted Church of England Primary Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stisted Church of England Primary Academy 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 Stisted Church of England Primary Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Stisted Church of England Primary Academy Trust's funding agreement with the Secretary of State for Education dated 1 October 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**
(continued)

The work undertaken to draw our conclusion includes:

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson
Chartered Accountants

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

Date: *21 December 2016*

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	3	477	-	55,170	55,647	8,216
Charitable activities	6	24,065	608,811	-	632,876	657,213
Other trading activities	4	8,660	-	-	8,660	8,069
Investments	5	514	-	-	514	128
TOTAL INCOME		33,716	608,811	55,170	697,697	673,626
EXPENDITURE ON:						
Raising funds		951	-	-	951	-
Charitable activities		41,148	637,540	42,633	721,321	719,131
TOTAL EXPENDITURE	7	42,099	637,540	42,633	722,272	719,131
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	20	(8,383)	(28,729)	12,537	(24,575)	(45,505)
		-	(45,901)	45,901	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		(8,383)	(74,630)	58,438	(24,575)	(45,505)
Actuarial gains/(losses) on defined benefit pension scheme	24	-	(129,000)	-	(129,000)	10,000
NET MOVEMENT IN FUNDS		(8,383)	(203,630)	58,438	(153,575)	(35,505)
RECONCILIATION OF FUNDS:						
Total funds brought forward		70,697	(138,370)	2,632,227	2,564,554	2,600,059
TOTAL FUNDS CARRIED FORWARD		62,314	(342,000)	2,690,665	2,410,979	2,564,554

The notes on pages 27 to 47 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07769085

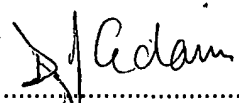
BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	15		2,690,665		2,632,227
CURRENT ASSETS					
Stocks	16	-		886	
Debtors	17	12,327		10,166	
Cash at bank and in hand		112,570		164,651	
		<u>124,897</u>		<u>175,703</u>	
CREDITORS: amounts falling due within one year	18	<u>(42,583)</u>		<u>(49,376)</u>	
NET CURRENT ASSETS			82,314		126,327
TOTAL ASSETS LESS CURRENT LIABILITIES			2,772,979		2,758,554
CREDITORS: amounts falling due after more than one year	19		<u>(20,000)</u>		<u>-</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			2,752,979		2,758,554
Defined benefit pension scheme liability	24		<u>(342,000)</u>		<u>(194,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			2,410,979		2,564,554
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted general funds		-		55,630	
Restricted fixed asset funds		2,690,665		2,632,227	
Restricted funds excluding pension liability		<u>2,690,665</u>		<u>2,687,857</u>	
Restricted general funds - pension reserve		<u>(342,000)</u>		<u>(194,000)</u>	
Total restricted funds	20		2,348,665		2,493,857
Unrestricted funds	20		<u>62,314</u>		<u>70,697</u>
TOTAL FUNDS			2,410,979		2,564,554

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2016

The financial statements were approved by the Trustees, and authorised for issue, on *21 December 2016* and are signed on their behalf, by:


.....
D Adams
Chair of Trustees

The notes on pages 27 to 47 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	<u>(6,694)</u>	<u>33,887</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		514	128
Purchase of tangible fixed assets		(101,071)	(3,414)
Capital grants from DfE/EFA		55,170	10,318
Net cash (used in)/provided by investing activities		<u>(45,387)</u>	<u>7,032</u>
Change in cash and cash equivalents in the year		(52,081)	40,919
Cash and cash equivalents brought forward		<u>164,651</u>	<u>123,732</u>
Cash and cash equivalents carried forward	23	<u><u>112,570</u></u>	<u><u>164,651</u></u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Stisted Church of England Primary School constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and rounded to the nearest pound.

First time adoption of FRS 102

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

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

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

1.2 Fund accounting

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

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

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

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

Freehold property	- 50 years straight line
Fixtures and fittings	- 10 years straight line

1.7 Operating leases

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Interest receivable

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

1.10 Taxation

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.11 Debtors receivable and creditors payable within one year

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

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

1.12 Cash at bank and in hand

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

1.13 Liabilities and provisions

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

1.14 Financial instruments

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes 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 there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

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

The Academy Trust 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 pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
- Any change in the valuation of the freehold property (see note 15).

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2 % could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2016.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	477	-	-	477	3,023
Capital grants	-	-	55,170	55,170	5,193
	<u>477</u>	<u>-</u>	<u>55,170</u>	<u>55,647</u>	<u>8,216</u>

In 2015, of the total income from donations and capital grants, £3,023 was to unrestricted funds and £5,193 to restricted fixed asset funds.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Other self generated income	8,660	-	8,660	8,069

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

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Bank interest received	514	-	514	128

In 2015 all income from investments was to unrestricted funds.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

6. CHARITABLE ACTIVITIES - FUNDING FOR EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	486,853	486,853	505,675
Pupil Premium	-	13,530	13,530	12,282
Other DfE/EFA Grants	-	27,321	27,321	22,891
	-	527,704	527,704	540,848
Other government grants				
Local Authority Grants	-	73,853	73,853	87,288
	-	73,853	73,853	87,288
Other funding				
Other Income	24,065	7,254	31,319	29,077
	24,065	7,254	31,319	29,077
	24,065	608,811	632,876	657,213

In 2015, of the total income from charitable activities, £20,751 was to unrestricted funds and £636,462 was to restricted general funds.

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

7. TOTAL EXPENDITURE

	Staff costs 2016 £	Premises costs 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds	-	-	951	951	-
Educational operations:					
Direct costs	409,663	-	39,629	449,292	451,040
Support costs	130,018	69,471	72,540	272,029	268,091
	539,681	69,471	113,120	722,272	719,131

In 2016, of the total expenditure, £42,099 (2015 - £20,879) was from unrestricted funds, £637,540 (2015 - £649,908) was from restricted general funds and £42,633 (2015 - £48,344) was from restricted fixed asset funds.

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8. ANALYSIS OF EXPENDITURE BY CHARITABLE ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Educational operations	449,292	272,029	721,321	719,131

In 2016, of the total expenditure on charitable activities, £41,148 (2015 - £20,879) was from unrestricted funds, £637,540 (2015 - £649,908) was from restricted general funds and £42,633 (2015 - £48,344) was from restricted fixed asset funds.

9. TOTAL SUPPORT COSTS

	Raising funds £	Educational operations £	Total 2016 £	Total 2015 £
Defined benefit pension scheme finance cost	-	7,000	7,000	6,000
Technology costs	-	10,301	10,301	18,676
Premises costs	-	26,289	26,289	43,880
Governance costs	-	16,387	16,387	10,915
Other costs	951	46,401	47,352	25,354
Support staff costs	-	123,018	123,018	119,827
Depreciation	-	42,633	42,633	41,439
	951	272,029	272,980	266,091

In 2016, of the total expenditure on support costs, £951 (2015 - £nil) was from unrestricted funds, £229,396 (2015 - £226,652) was from restricted general funds and £42,633 (2015 - £41,439) was from restricted fixed asset funds.

10. GOVERNANCE COSTS

	2016 £	2015 £
Auditors' remuneration - Audit of the financial statements	11,791	7,805
Auditors' remuneration - Other services	4,250	3,110
Support costs	346	-
	16,387	10,915

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

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11. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the Academy	42,633	41,439
Auditors' remuneration - Audit of the financial statements	11,791	7,805
Auditors' remuneration - Other services	4,250	3,110
Operating lease rentals	3,638	5,517
	<u>62,312</u>	<u>57,871</u>

12. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	430,163	424,103
Social security costs	30,069	26,079
Operating costs of defined benefit pension schemes	72,449	74,027
	<u>532,681</u>	<u>524,209</u>
Supply teacher costs	-	250
Defined benefit pension scheme finance cost	7,000	8,000
	<u>539,681</u>	<u>532,459</u>

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

	2016 No.	2015 No.
Teachers	5	5
Administration and Support	17	20
Management	3	3
	<u>25</u>	<u>28</u>

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel of the Academy Trust comprise of the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by Key Management Personnel for their services to the Academy Trust was £237,524 (2015 - £215,151).

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13. TRUSTEES' REMUNERATION AND EXPENSES

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

		2016 £	2015 £
M Hawrylak, Headteacher and Accounting Officer	Remuneration	55,000-60,000	55,000-60,000
	Pension contributions paid	5,000-10,000	5,000-10,000
G Williams, Staff Trustee and Deputy Head	Remuneration	45,000-50,000	45,000-50,000
	Pension contributions paid	5,000-10,000	5,000-10,000
J H Taylor, Staff Trustee	Remuneration	35,000-40,000	-
	Pension contributions paid	5,000-10,000	-

During the year, no Trustees received any reimbursement of expenses (2015 - £333).

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

14. TRUSTEES' AND OFFICERS' INSURANCE

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

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15. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 September 2015	2,773,826	19,771	2,793,597
Additions	101,071	-	101,071
At 31 August 2016	<u>2,874,897</u>	<u>19,771</u>	<u>2,894,668</u>
Depreciation			
At 1 September 2015	153,462	7,908	161,370
Charge for the year	40,656	1,977	42,633
At 31 August 2016	<u>194,118</u>	<u>9,885</u>	<u>204,003</u>
Net book value			
At 31 August 2016	<u>2,680,779</u>	<u>9,886</u>	<u>2,690,665</u>
At 31 August 2015	<u>2,620,364</u>	<u>11,863</u>	<u>2,632,227</u>

Included in land and buildings is land at valuation of £800,000 (2015 - £800,000) which is not depreciated.

The land and buildings were valued at conversion to Academy Status by Joscelyne Chase a RICS Registered Valuer. The Trustees consider that the valuation remains appropriate for the purposes of these financial statements.

The land and buildings which are included in the accounts are legally owned by the St Albans and Chelmsford Church Trust. The school occupies these premises by a mere licence that transfers to the Academy no rights or control over the site, save that occupying it at the will of the site Trustees under the terms of the relevant site trust. The valuation of land and buildings included in the accounts reflects the economic benefit of occupying the land and buildings on license rather than the legal form. This is in accordance with the Academies Accounts Direction 2015 to 2016 (SORP 2015) which details how such arrangements are accounted for.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. STOCKS

	2016 £	2015 £
Clothing	-	886

17. DEBTORS

	2016 £	2015 £
Trade debtors	2,300	944
VAT receivable	2,326	2,046
Other debtors	1,245	1,131
Prepayments and accrued income	6,456	6,045
	<u>12,327</u>	<u>10,166</u>

18. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	4,094
Other taxation and social security	8,943	7,583
Pension contributions payable	7,509	7,367
Other creditors	152	17
Accruals and deferred income	25,979	30,315
	<u>42,583</u>	<u>49,376</u>

**19. CREDITORS:
Amounts falling due after more than one year**

	2016 £	2015 £
Amounts owed to EFA	20,000	-

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

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	70,697	33,716	(42,099)	-	-	62,314
Restricted general funds						
General Annual Grant (GAG)	55,630	486,853	(496,582)	(45,901)	-	-
Pupil Premium	-	13,530	(13,530)	-	-	-
Other DfE/EFA grants	-	27,321	(27,321)	-	-	-
Local Authority Grants	-	73,853	(73,853)	-	-	-
Other activities	-	7,254	(7,254)	-	-	-
Pension reserve	(194,000)	-	(19,000)	-	(129,000)	(342,000)
	<u>(138,370)</u>	<u>608,811</u>	<u>(637,540)</u>	<u>(45,901)</u>	<u>(129,000)</u>	<u>(342,000)</u>
Restricted fixed asset funds						
NBV of fixed assets	2,632,227	-	(42,633)	101,071	-	2,690,665
DfE/EFA Capital Grants	-	55,170	-	(55,170)	-	-
	<u>2,632,227</u>	<u>55,170</u>	<u>(42,633)</u>	<u>45,901</u>	<u>-</u>	<u>2,690,665</u>
Total restricted funds	<u>2,493,857</u>	<u>663,981</u>	<u>(680,173)</u>	<u>-</u>	<u>(129,000)</u>	<u>2,348,665</u>
Total of funds	<u>2,564,554</u>	<u>697,697</u>	<u>(722,272)</u>	<u>-</u>	<u>(129,000)</u>	<u>2,410,979</u>

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

The Unrestricted General fund has been created to recognise the income and expenditure in respect of activities undertaken by the Academy Trust which fall outside the scope of its core activities.

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

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

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

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

The Local Authority revenue grants fund has been set up to recognise the income received from Essex County Council as a contribution towards the cost of the Academy Trust's revenue expenditure.

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

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

The NBV of Fixed Assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the NBV of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund. A transfer has been made from Restricted general funds to Restricted fixed asset funds to fund the capital purchases made during the year.

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

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2016. Note 2 discloses whether the limit was exceeded.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	2,690,665	2,690,665	2,632,227
Current assets	62,314	62,543	-	124,857	175,703
Creditors due within one year	-	(42,543)	-	(42,543)	(49,376)
Creditors due in more than one year	-	(20,000)	-	(20,000)	-
Defined benefit pension scheme liability	-	(342,000)	-	(342,000)	(194,000)
	<u>62,314</u>	<u>(342,000)</u>	<u>2,690,665</u>	<u>2,410,979</u>	<u>2,564,554</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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**22. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(24,575)	(45,505)
Adjustment for:		
Depreciation charges	42,633	41,439
Dividends, interest and rents from investments	(514)	(128)
Decrease in stocks	886	-
(Increase)/decrease in debtors	(2,121)	54,355
Increase/(decrease) in creditors	13,167	(28,956)
Capital grants from DfE and other capital income	(55,170)	(10,318)
Defined benefit pension scheme cost less contributions payable	12,000	15,000
Defined benefit pension scheme finance cost	7,000	8,000
Net cash (used in)/provided by operating activities	(6,694)	33,887

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	112,570	164,651
Total	112,570	164,651

24. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for academic and related staff and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are Multi-Employer defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £7,509 were payable to the schemes at 31 August 2016 (2015 - £7,367) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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24. PENSION COMMITMENTS (continued)

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £38,307 (2015 - £35,290).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £23,844 (2015 - £31,411), of which employer's contributions totalled £16,559 (2015 - £23,791) and employees' contributions totalled £7,285 (2015 - £7,620). The agreed contribution rates for future years are 38.3% for employers and 5.5% to 12.5% for employees.

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

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24. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.40 %
Rate of increase for pensions in payment / inflation	2.30 %	2.60 %
Inflation assumption (RPI)	3.20 %	3.50 %
Inflation assumption (CPI)	2.30 %	2.60 %
Commutation of pensions to lump sums	60.00 %	60.00 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	119,000	86,000
Gilts	6,000	5,000
Other bonds	8,000	13,000
Property	19,000	15,000
Cash	5,000	3,000
Alternative Assets	8,000	9,000
Other managed funds	8,000	-
Total fair value of assets	<u>173,000</u>	<u>131,000</u>

The actual return on scheme assets was £21,000.

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24. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(35,000)	(38,000)
Net interest cost	(7,000)	(8,000)
Total operating charge	(42,000)	(46,000)

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

	2016 £	2015 £
Opening defined benefit obligation	325,000	276,000
Current service cost	35,000	38,000
Interest cost	13,000	12,000
Contributions by employees	7,000	7,000
Actuarial losses/(gains)	144,000	(8,000)
Benefits paid	(9,000)	-
Closing defined benefit obligation	515,000	325,000

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

	2016 £	2015 £
Opening fair value of scheme assets	131,000	95,000
Interest income	6,000	4,000
Actuarial gains	15,000	2,000
Contributions by employer	23,000	23,000
Contributions by employees	7,000	7,000
Benefits paid	(9,000)	-
Closing fair value of scheme assets	173,000	131,000

Reconciliation of opening to closing (deficit)

	2016 £	2015 £
Opening balance	(194,000)	(181,000)
Current Service Cost	(35,000)	(38,000)
Net interest cost	(7,000)	(8,000)
Employer contributions	23,000	23,000
Net actuarial (losses)/gains	(129,000)	10,000
Net defined benefit pension scheme liability	(342,000)	(194,000)

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The amounts recognised in the Balance Sheet are as follows:

	2016 £	2015 £
Closing defined benefit scheme obligation	(515,000)	(325,000)
Fair value of scheme assets	173,000	131,000
	<u>(342,000)</u>	<u>(194,000)</u>
Net defined benefit pension scheme liability		

25. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	9,722	14,211
Between 2 and 5 years	12,061	21,882
Total	<u>21,783</u>	<u>36,093</u>

26. RELATED PARTY TRANSACTIONS

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

27. CONTROLLING PARTY

There is no ultimate controlling party.

28. COMPANY LIMITED BY GUARENTEE

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

29. MEMBERS' LIABILITY

Each of the 3 members of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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30. FIRST TIME ADOPTION OF FRS 102

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

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

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

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		2,600,059	2,564,554
Total funds reported under FRS 102		<u>2,600,059</u>	<u>2,564,554</u>

Reconciliation of net (expenditure)	Notes	31 August 2015 £
Net (expenditure) previously reported under UK GAAP		(43,505)
Change in recognition of LGPS interest cost	A	(2,000)
Net movement in funds reported under FRS 102		<u>(45,505)</u>

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

A - Change in recognition of LGPS interest cost	Under previous UK GAAP the Academy Trust recognised an expected return on defined benefit plan assets in expenditure. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expenditure by £2,000 and increase the credit in other recognised gains and losses in the Statement of Financial Activities by an equivalent amount.
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