

Registered number: 07956784

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2016

Members

Claire Delaney
Mark Malley
Simon Rule
Mervyn Douglas
Marwan Naja (resigned 10 October 2016)

Board of Trustees

Claire Delaney* (Chair)
Mark Malley* (Vice Chair)
Simon Rule*
Steven Wade*
Tom Legge* (resigned 21 September 2016)
Mark Greatrex (chief executive and accounting officer)
Vicky Griffiths (appointed 14 October 2016)
Katie Lee (appointed 14 October 2016)
David Thomas (appointed 14 October 2016)
**members of the Finance Committee*

Company Secretary

Simon Ward

Chief Executive

Mark Greatrex

Principal and Registered Office

217 Balham High Road,
Balham,
London,
SW17 7BQ

Company Registration Number

07956784

Independent Auditor

MHA MacIntyre Hudson
New Bridge Street House
30-34 New Bridge Street
EC4V6BJ

Bankers

Lloyds Bank
39 Threadneedle Street
London
EC2R 8AU

Solicitors

Michelmores
Woodwater House
Pynes Hill
Exeter
EX2 5WR

BELLEVUE PLACE EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Bellevue Place Education Trust (the Trust) operates seven primary schools across London and Maidenhead. As new free schools, all seven will grow to a combined pupil capacity of 2,750 pupils and had a roll of 482 in the school census on 1 October 2015.

Bellevue Place Education Trust was incorporated on 20 February 2012 as an Academy Trust and a company limited by guarantee, with the purpose of establishing, maintaining, managing and developing outstanding schools.

Bellevue Place Education Trust is a new model for education delivery in the state sector. The Trust is a joint venture between two organisations who are passionate about providing high quality education provision. These two organisations bring together the very best of the fee-paying Independent sector – Bellevue Education Ltd – experienced in running a family of 17 independent schools in the UK and Switzerland; with a highly-regarded education consultancy – Place Group – with experience in the state sector for efficiency of supply in setting up new schools and converting academies, along with driving value for money and compliance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Bellevue Place Education 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 Bellevue Place Education Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bellevue Place Education Trust. Details of the trustees who served during the year are included in the Governance Statement section.

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 line with normal commercial practice, Bellevue Place Education Trust insures its trustees against errors through the DfE Risk Protection Arrangement (RPA), negligent acts or omissions relating to their work for the Bellevue Place Education Trust for up to £10m on any single claim.

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

Method of Recruitment and Appointment of Trustees

Over the period of these financial statements, Bellevue Place Education Trust has not appointed any new members or trustees, with no member of trustee resigning during this period.

At the members Annual General Meeting on 14 October 2016, the members approved the nomination of three new trustees, who were appointed in line with the articles of association, "s.50 – The Members may appoint by ordinary resolution up to 5 Trustees."

To recruit these new trustees, the Trust approached Academy Ambassadors programme, who were hugely supportive in recommending interested potential trustees who fulfilled the skills gaps identified by the trustees, which were:

- Finance – a qualified accountant
- Charity sector experience at a high level
- Marketing experience at a high level

Of the seven potential trustees introduced by Academy Ambassadors, five were interviewed by the Chair and Vice Chair of the Trust and three were recommended to the AGM for appointment. The trustees are delighted with the skills and experience the new trustees bring to the Board.

Through the recruitment process the Trust also approached the Institute of Directors and Inspiring Governance to recruit new trustees and no candidates were received through this route.

Policies and Procedures Adopted for the Induction and Training of Trustees

The procedure adopted for the induction and training of trustees has included the following:

- An overview of the Trust – basic information on size, location, phase, type of schools;
- Core information and data on the individual academies along with any Ofsted reports
- Performance Reports and a sample prospectus from a school
- A summary of the Trust's governance structure, how it works, who are the current members/trustees, what new members/trustees can expect by way of commitment, induction and training;
- BPET Governance Policy and copy of minutes of Board meetings along with recent Board packs
- BPET 2 Year Strategy Plan
- Key policies, like Conflict of Interest, Whistleblowing Policy and Safeguarding Policy
- BPET Scheme of Delegation
- EFA and DfE documentation, i.e. the Academies Financial Handbook and Governance Handbook

Trustees will also visit a number of schools, meet the Headteacher and teachers along with a tour to witness pupils learning.

Following this induction, future training needs for trustees will be discussed and identified, including safeguarding training for all new trustees.

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

Organisational Structure

The trustees set general policy, approve a 2 Year Strategic Plan and annual budgets, monitor performance against the plan and budget, and take major decisions about the company, growth of schools and senior staff appointments.

The Trust board has adopted and update the BPET Scheme of Delegation which sets out the responsibilities that are retained by the board, or delegated to the accounting officer (chief executive), Local Governing Body, Committees of the Local Governing Body and the Headteacher.

The Scheme of Delegation was reviewed and updated at the board meeting on 7 July 2016 and is published on the Trust's website.

The Trust operates an autonomy model and has delegated a large amount of responsibility to the Local Governing Body, except some key areas, for example, the appointment of the Headteacher for each school and the performance management of the Headteacher (with involvement of the Chair of Governors).

To ensure there is clarity of the roles and responsibilities, the Trust board have adopted a BPET Local Governance Handbook which contains the Local Governing Body's terms of reference, structure, terms of office etc. and is a valuable resource for the Trust's local governors.

The trustees delegate the day to day responsibility to the executive team led by the Chief Executive and for each individual school this is delegated to the Headteacher.

Arrangements for setting pay and remuneration of key management personnel

Bellevue Place Education Trust appoint school staff in line with the national pay and condition salary scales and leaders are appointed against the leadership scales points for their school size (when full). School staff are performance managed against the Trust's Performance Management Policy with a separate Headteachers Performance Management Policy.

Central Trust staff are appointed to salary scales following analysis of competitive equivalent roles and they also follow the Trust's Performance Management Policy.

All Performance Management Policies offer performance related pay incentives to staff, recognising outstanding achievement in their roles.

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

Related Parties and other Connected Charities and Organisations

Bellevue Place Education Trust works alongside our sponsor organisations, to bring the expertise and skills for the benefit of the schools within the Trust and support the delivery of its vision. The organisations that continue to support the Trust are:

- Bellevue Education, which operates 17 highly successful independent schools in the UK and Switzerland that shares its vision of challenging pupils whilst installing creativity of thought and independent learning. Bellevue Education were successful in a competitive tendering process to provide the School Improvement services to the Trust in 2015/16. This is the second year of a two-year contract, which was re-tendered for future academic years. The support, through five visits to each school throughout the academic year, with a focus on the School Development Plan, Safeguarding, Teaching & Learning Reviews, Regulations and Compliance and a Leadership & Management Review. The elements of this review provides the Trust with an overview of the performance of the schools, as well as supporting Heads to improve, linked to the vision of the Trust.

The cost to the Trust for School Improvement Services amounted to £66,690 in 2015/16, across the seven schools in the Trust. In line with the Academies Financial Handbook, these services were provided 'at cost'.

- Place Group are experts in advising and supporting the establishment of Free Schools, with a 100% record of all schools opened being Good or better in their first OFSTED inspection.

In the 2015/16 academic year, Place Group did a small amount of support for the Trust, mainly residual Trust start-up overheads that have since been moved to the Trust (e.g. mobile phone contracts and line rental costs). Place Group also supported the project management support for moving Whitehall Park School off its temporary accommodation on their permanent site to temporary accommodation at Mount Carmel Catholic Girl College. The cost to the Trust for these residual start-up services and project management support amounted to £3,935.81 in 2015/16. In line with the Academies Financial Handbook, these services were provided 'at cost'.

- School's Buying Club (SBC), have been compliantly procured by the Trust to be the procurement provider for large scale contracts across the Trust. This supports the Trust to focus on areas where the group of schools can jointly procure services, using the purchasing power of the group, to gain best value for money. These are in areas like outsourced catering, outsourced cleaning and furniture contracts.

SBC's charging model means that the schools or Trust do not incur a direct fee for the procurement and contract management services – the successful supplier is charged between .75% and 5% of the contract fee. In 2015/16, SBC did not tender any new contracts on behalf of Bellevue Place Education Trust and consequentially, there was no expenditure to the Trust. SBC rents the use of a room at Rutherford House School, set against local market rates, which means the Trust has received an income from SBC of £3,370 in 2015/16.

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

Until September 2016, SBC were a subset of Place Group but are now a separate company and therefore a separate declaration on the register of interests.

- School Business Service (SBS) is a global specialist in providing support services and products to the education sector. School Business Service is a related party to Bellevue Place Education Trust, as SBS has a 35% share in Place Group.

SBS provided two main services to the Trust in 2015/16. Firstly, this was for financial business support services, as the Trust outsourced its financial services when first established. This was managed through a consultant who oversaw the finance process and procedures of the Trust. The contract ended in October 2015, when the Trust could afford to employ a Head of Finance and the consultant supported the handover.

The second service provided to the Trust is the cloud hosting of the Civica financial system. This contract was tendered in 2015/16 and SBS were the preferred supplier, providing the service at the most competitive rate.

The cost to the Trust for these financial services amounted to £25,184.33 in 2015/16.
All SBS services are provided 'at cost', in line with the Academies Financial Handbook.

The total expenditure through Related Party Transactions in 2015/16 was £92,439.44, which is lower than in 2014/15 when the equivalent cost was £260,906.78. The main reasons for the cost reduction was that the greatest expense in 2014/15 was for the establishment of the four new schools and the continued support in starting up a new Trust.

It is anticipated that Related Party Transactions in 2016/17 will be below the 2015/16 expenditure.

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

Objectives and Activities

Objects and Aims

To advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum. All Bellevue Place Education Trust schools are focused to deliver high quality education provision in areas where there is a shortage of primary school places.

Our Vision and Ethos – *Learn. Enjoy. Succeed.*

Three words that mean the world to us.

Three words that have been with us from the day we formed Bellevue Place Education Trust (BPET). Three words that govern all that we do.

BPET vision is to run autonomous schools with freedom over the educational delivery, within the vision of the Trust. The aspiration is that to maintain schools where academic excellence is just one aspect of an outstanding education. With a rich extended curriculum, building emotional intelligence in pupils, through the learning experience, typically nurtured from pupils' interest of ideas.

As a parent you can expect excellence, both in how we teach and how we nurture your child. We foster a positive attitude to life, encouraging a 'be interested and be interesting' attitude by providing a rich learning environment full of arts, drama, sport, music and as well as, of course, academic rigor.

BPET children are happy, confident, successful 'all-rounders' who expect to win and achieve in an inclusive setting where children, parents and school staff work together to provide the best. Our commitment to you and your children is that we will teach them to learn, enjoy and succeed both in their school career and beyond.

Staff in BPET are central to delivering the vision of the Trust. We are committed to recruiting the best staff, providing attractive development and retention packages and ensuring that every member of staff receives focused training. Teachers are all leaders and will be developed so their career is supported to help them to achieve their aspirations. Our goal is that at least half of our future senior leaders of BPET schools will come from current BPET staff.

Objectives, Strategies and Activities

In September 2013 Bellevue Place Education Trust opened its first Free School Rutherford House. This is now our largest school with 236 pupils and we subsequently opened two further primary Free Schools in September 2014: Braywick Court School – a one-form entry school in Bray, Maidenhead and Whitehall Park School – a two-form entry school in Islington.

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

In September 2015, the Trust opened four further new primary schools, which were:

- Kilburn Grange School, Brent
- Halley House School, Hackney
- Deer Park School, Richmond
- Watling Park School, Barnet

All opened as two-form entry primary schools, though during to the accommodation arrangements for Deer Park School, they can only take 30 pupils per year, until their permanent accommodation is available in September 2018.

The main aims of the Trust for that year was to open the four new schools, three in their temporary accommodation and support all the schools to be established as the school of choice for parents in the local area, providing a high quality education offer for all pupils.

Throughout this financial year, the Trust has taken the strategic decision to consolidate its position over the year and has not applied to open any further new schools and focus on ensuring the current schools are viable and successful.

Public Benefit

The trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duty. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

During 2015/16, Bellevue Place Education Trust operated seven Free Schools in London and the South-East. All Bellevue Place Education Trust schools are focused to deliver high quality provision in areas where there is a shortage of primary school places. The Trust is also an accredited academy sponsor, being approved by the Department for Education in April 2015.

Within this financial year, the Trust educated 495 pupils across the seven schools, employing roughly 75 staff within these schools and four employees as part of the central Trust team.

Key Performance Indicators

Trustees monitored the performance of the Trust through Key Performance Indicators, which have been categorised in the following headings: Pupil achievement; OfSTED outcome, Pupil numbers, staff recruitment and retention, further develop the Trust's core team and growth of four new schools.

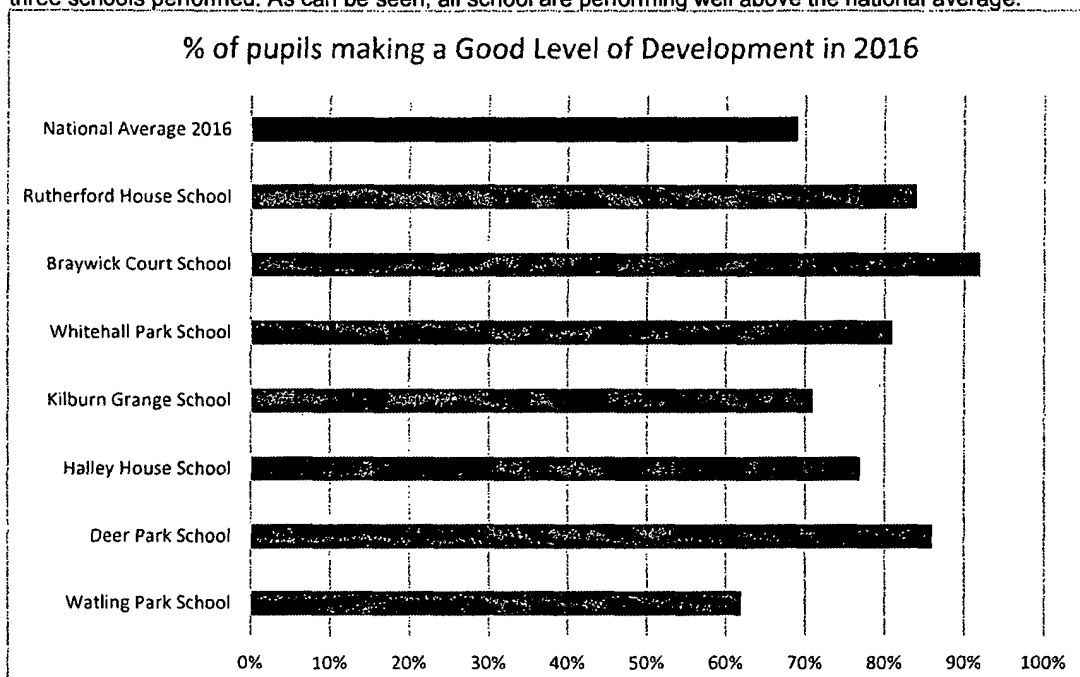
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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

- Pupil Attainment

In summer 2016, across the seven schools, 79% of reception aged pupils made a Good Level of Development, which is well above the 69% National Average in 2016. The graph below shows how the three schools performed. As can be seen, all schools are performing well above the national average.



Of the three schools that had Year 1 pupils in 2015/16, these pupils all undertook the Phonic test at the end of Year 1. 88% of pupils across were successful in attaining the expected level across the Trust, well above the 81% national average in 2016.

At Rutherford House School, the 56 pupils in Year 2 undertook the SATs assessment, with 91% successful in their Reading test and 93% were successful in the maths test.

- OfSTED Outcome

In October 2015, OfSTED amended when a new Free School would expect its first OfSTED inspection, moving this back until after two years of operation. Therefore, none of the Trust schools in 2015/16 expected or received an OfSTED inspection, with Braywick Court School and Whitehall Park School expecting an inspection from September 2016.

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

The only school to have received an OfSTED inspection is Rutherford House School. Their first OfSTED inspection in July 2015 and was judged as Good with three outstanding elements identified. The outstanding elements were its governance, curriculum, pupils Spiritual, Moral, Social and cultural development (SMSC) and the schools support for Special Educational Needs (SEN) pupils.

- **Pupil Numbers**

As new schools, strong pupil numbers in the first few years until the school is established, is vital to ensure the schools long-term viability. Trustees believe that a Free School often has a number of significant factors in its first few years, that an assessment on the school's long-term viability cannot be made until the school has been open at least 3 years. Of the three schools that have been open for two years or longer, 99% of pupil places are filled, with just 5 places across these schools in 2015/16.

Of the four schools that opened in September 2015, their pupil number were at 78% of its capacity. Site issues in all cases has hindered pupils number, with focused support to progress the issues as quickly as possible to ensure that the schools are as attractive to prospective parents.

- **Staff Recruitment & Retention**

Attracting and supporting high quality staff is vital to the success of the schools and Trust. In 2015/16 the Trust employed around 80 employees across the seven schools and Central Trust team. Recruiting and retaining high quality staff was set as a key priority for the Trust. This focus in the Trust has enabled all the schools to attract high quality staff.

Across the seven schools in the Trust, staff turnover is not significant, with a strong focus on rewarding staff for delivering high standards, through supportive performance management cycles. A focus has been in the schools which are operating in temporary setting and ensuring that retention is a consideration, along with career development opportunities.

Recruitment remains a huge challenge across the sector and schools are focusing well on training student teachers and training Teaching Assistants to become teachers as part of Schools Direct. The Trust is also looking to engage with Teach First in the future.

- **The Central Trust team offering high-quality support to all BPET schools**

During most of 2015/16, the Trust's central Trust team is led by the Chief Executive, supported by the Operations and Finance Director along with a part-time Finance Assistant. In October 2015, the Trust appointed a Head of Finance to support the schools with their budget setting and budget monitoring process and is the Finance Controller of the Trust.

The Head of Finance became the Chief Financial Officer on 1 September 2016.

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

The Trust's capacity to support schools is greatly increased, with the internal audit reports showing that the financial structure is very good. This has been delivered through a focus on improving the financial system and processes across the schools, following an identified Financial Action Plan, which is reviewed by the Board Finance Committee. The developments that have been achieved are:

- **One Bank Account** – the Trust has rationalised its bank accounts from one per school to having one bank account across the seven schools and Trust. This will mean there is no treasury management required between the accounts and the combined funds across the group ensures that cash flow is not a challenge for the Trust. We have also moved our banking service from Barclays Bank to Lloyds. All the old accounts were closed at the end of this academic year.
- **BACS Payments runs** - All payments are now made through a weekly BACS payment run, input into the system by the Finance Officer and approved by the Head of Finance. This is a vast improvement from all payments previously being made by cheque. The Trust now pays suppliers promptly, well within their payment terms. The Trust also now utilises the financial system, Civica, much better, providing an automated system for paying and budget monitoring.
- **Civica Database consolidation** – As the Trust has grown a database was established for each school. This has led to eight databases in Civica, one for each school and one for the Trust. A database is the financial ledger and having eight individual systems to go into for transactions and supplier details. From Period 6 (February) in 2015/16, the system was rationalised to having one database and the old ones were closed down at the end of the financial year
- **Procurement Cards** – To ensure that schools can purchase items and have access to funds, we have provided all schools with procurement cards, in line with the new Procurement Card Policy. These are all working well and significantly reduced the number of expense claims by Heads and also provided the access they need for small scale purchases.
- **Cash-less Schools** – All schools have set up using ParentPay, which is an on-line system for parents to pay for clubs, trips and school meals purchases in the future. The Trust has always strived to be cashless. Previously the bank received a high number of small transactions for club payments that were hard to reconcile. Now, the payments for the above are managed at school level and the Trust receives weekly payment from ParentPay per school, with a clear breakdown of what they were for. This makes bank reconciliation much easier and critically means that the schools are not handling cash.
- **Payroll** – In 2015/16 the Trust had two payroll providers across the seven schools, one for Rutherford and the Trust staff and one for the other six schools. The contract for the former ended at the end of 2015/16 and all staff are now with one payroll provider. To support the small schools there is segregation of duties with inputting and sign off of the payroll, the Chief Executive signs off all the monthly payroll. This provides an additional checking process and ensures that the Headteachers salary and adjustments are signed by the Accounting Officer.
- **Pensions** – Pension contributions continued to be made for all staff who have opted to contribute and we have moved our Local Government Pension, for all support staff, from the authority they are situated in, to Berkshire. Therefore the cost for administrating the closing of the accounts at the end of the financial year was across one pension authority, not seven.

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

- **BPET Finance Handbook** – All the above changes in the processes across the Trust have been consolidated and updated in the BPET Finance Handbook. This was approved by the Board in April 2016 and is now structured in three parts. 1. An overview, with ethics and high-level policies 2. The school section and 3. The Trust section. This captures all the financial processes and policies we follow. This will be reviewed and updated annually.
- **Trust Finance Capacity** – The Finance team is led by the Head of Finance, supported by a Finance Officer. As the Trust grows in the future, we will add to this structure with an apprentice.
- **Reporting to Trustees** – Trustees have challenged the executives to provide consistent, detailed financial information at all meetings, with Profit & Loss Statements for each school and the Trust at the Finance Committee meetings, along with a Balance Sheet and a Cash Flow Forecast. This information is now received on a regular basis for the Board, ensuring they understand the schools financial position. Over the year, Trustees are satisfied that this information is much stronger and supports effective financial planning.
- **Separate Internal Auditors** – at the first Audit & Risk Committee in February 2016, trustees decided to recruit a separate internal audit provider to the previous model of the external auditor also providing the internal audit service. This led to Moore Stephens being appointed as the Internal Auditor and their first report in June 2016 provided a comprehensive overview of the strengths and areas for development across the Trust, with almost all recommendation actioned by September 2016.

With all the above being achieved, there is a significant improvement in the confidence of the schools about the finances of the Trust. It is also the case that schools have not been asking about their access to bank accounts, as they have access to their funding. Even with the following areas of improvement, we have identified to further improve financial processes and understanding of monitoring of the schools.

We continue to work on our Financial Action Plan, reported regularly to the Finance Committee, setting out the following actions to be completed by the end the 2016/17 academic year:

- **Civica Web Portal** – providing all schools access to their live budget information, allowing them to make accurate decisions on future spend. It also significantly enables all schools to conduct commitment accounting through the Trust's financial system.
- **Purchase Ordering** – Academies Financial Handbook requires all Multi Academy Trust to conduct commitment accounting, which means all spending will be carried out with a purchase order being raised at the time the service or order is agreed/submitted. Currently this is undertaken by manual system before ordering at the school level. During the autumn term 2016, we will move for all purchase orders to be raised through the Civica Web Portal. Therefore, the cost goes directly onto the accounting system as a commitment and when an approved invoice is received by the Trust, it can be matched with the Purchase Order and paid. Our aim is that 98% of purchases across the Trust are raised with a Purchase Order and approved at the point the commitment is made.

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

- **Contracts Register** – A contracts register has been developed for schools and the Trust, which sets out the contracts we have procured, what they are for, their value and when they will require re-tendering. This will provide all Heads information of the contracts the schools entered into. The Trust will also ensure that all Trust-wide contracts are re-tendered when the contract comes to an end and all users will be surveyed ahead of when the contract scope is submitted for tendering, so the service is appropriate to what the school requires. All large scale contracts, typically over £40K, are tendered through our procurement provider, Schools Buying Club, who run the process compliantly and ensures the Trust achieves Value for Money.

Much progress has been made in developing the finances across the Trust. We are also preparing the systems so that they work as efficiently as possible, ensuring as we grow in pupil numbers and potentially more schools, we are structured to embrace that growth.

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

Bellevue Place Education Trust reported an underlying revenue operating surplus for the year ending 31 August 2016 of £19,191 (2015 - £7,434), excluding restricted fixed asset and pension funds.

The majority of the income came from the Department for Education (DfE) as recurrent grants for particular purposes. These grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2016, the overall surplus of £9,360,498 (2015 - £2,064,485) is broken down by a total income of £15,053,234 (2015 - £4,907,616), less a total expenditure of £5,340,736 (2015 - £2,841,131) and actuarial loss on the LGPS pension fund of £352,000 (2015 - £2,000).

The Trust has maintained a strong financial position over this financial period, with the seven schools carrying funds forward in line with the central Trust budget, ensuring the Trust is in a strong financial position.

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

Key Financial Performance Indicators

The Bellevue Place Education Trust Board has adopted two key financial performance indicators for the schools' it maintains. These are:

- no school goes into a deficit (after any carry forward reserves are taken into account)
- staffing is no greater than 75% of the total income for each school

These two indicators are regularly reported to the board through the Performance Report for each school.

Reserves Policy

Bellevue Place Education Trust's schools have remained popular and the income has grown year on year, as the school grow to capacity. With seven schools in the Trust, the low level of reserves held takes account of current and future income and expenditure, with an acknowledgement that the majority of the Trust's funding is for the pupils who currently attend the school.

The Trust has implement a Reserves Policy for the financial year 2016/17, where each school is budgeting 0.5% of its income to be set aside as a Reserve. This funding is then returned into the school's budget at the end of the financial year, ready for the process to repeat itself in the next financial year.

This policy has allowed for a Reserve of £23K across the Trust and will grow in line with the turnover of the Trust in future years. This reserve figure was considered reasonable amount for the size of the organisation, when reviewing a required reserve that would not be covered by the insurance arrangements for all the schools.

Investment Policy

Within 2015/16 financial year, the Board approved an Investment Policy, agreeing where low level investments can be considered in order to generate a small income returned in interest, at no risk to the Trust.

This policy for investment will cover all of the following criteria:

1. We are risk averse to preserve the principal sum.
2. We forecast cash on a short and long term basis to identify level of funds available for investment.
3. We ensure that sufficient funds are available to deal with day to day requirements and that a contingency of £500K is built in before funds are placed for more than one month.
4. We identify a range of instruments which can be invested in.
5. We restrict investment to sterling based products and allow no foreign exchange risks.

The responsibility for the identification and placement within the policy lies with the Head of Finance who must approve all investments within the scope of this policy. Any proposals outside of this policy will be subject to Board approval.

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

Investment of funds must be formally authorised by any two of the following:

- Chief Executive
- Head of Finance
- A Trustee

No individual investment shall exceed £500,000 without prior approval from the Board Finance Committee. No more than £1m shall be held with any one counterparty.

Maturities can be from one month and up to three years but must on average be no more than one year overall.

The Investment Policy also sets out eight approved investments and six approved counterparties. Reports of investment activity shall be provided at each Board Finance Committee showing individual investments (who, rate, maturity), average maturity, rate of return against target.

No investments have been made to date and any investment will be reported at Board level, if and when they occur.

Principal Risks and Uncertainties

The Trust board review the Risk Register for the Trust annually, under the following headings:

- Demand & Viability

Insufficient pupil numbers in the schools will leave the Trust's services unsustainable. Across the seven schools, 85% of the schools are full. Of this, the three schools that have been open for more than two years are 99% full. The schools that opened in September 2015 are 75% full in September 2016.

The schools that are not full have continued to have a strong focus on marketing, with support to ensure that prospective parents are aware of the new offer and that the excellent word of mouth is effectively informing new parents. In a parental survey completed in May 2016, 90% ranked their response as highly likely or likely to recommend a Bellevue Place Education Trust School to their friends.

The severity of this risk remains high and has reduced over the year as pupil numbers increase mid-year and with a stronger September intake across all the schools. In 2016/17, the Trust has recruited a Marketing Executive to support the four new schools recruit pupils, initially, using the experiences of the Independent sector to support this.

- Teacher Recruitment & Retention

In a more competitive recruitment market across London, where teacher vacancies are high and the cost of living is extremely high. This is also made harder for the four schools on temporary accommodation who are seeking to attract high-quality teaching staff.

In 2015/16, only one school ran with a teacher vacancy for more than a half term and at the end of the year 5 teachers left from the 18 classes across the Trust.

BELLEVUE PLACE EDUCATION TRUST

(A company limited by guarantee)

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

Schools are looking to train more teaching staff, with Teaching Assistants and student teachers being a successful route for teacher recruitment along with demonstrating the avenues into middle and senior leadership for aspiring teachers. Four of the seven schools in the Trust are eligible for Teach First, which we hope to be a route in the future.

- **Proposer Capacity**

As a Free School proposer with seven institutions, though just 500 pupils to fund the central team, the lack of capacity at the centre to support the schools could be a risk. This risk is mitigated by the stable staff in the central team, that is led by the Chief Executive.

As financial support has been a focus, the Trust were delighted with the appointment of an experienced Head of Finance, along with a Finance Officer to support the centralised finance structure of the Trust. This structure has enabled the dramatic improvements set out earlier.

Capacity for school improvement support has been out sourced in a contract that was tendered and won by Bellevue Education (on an at cost basis) and they support and challenge all the schools from an educational perspective. This contract comes to an end at the end of this academic year and will be re-tendered.

- **Operational (Inc. Finance)**

There are a number of risks in this area. In finance, the main ones being that the schools/Trust budget will go into deficit, with insufficient budget monitoring not allowing Heads and the Chief Executive to monitor budgets effectively.

This has been mitigated through working closely with the budget holders (usually the Heads) and managing the finances effectively, with regular reporting and better processes for paying of suppliers.

Across the Trust, four of the seven schools have new buildings programmes at various stages of development. In 2015/16, the contractor for Whitehall Park School began the demolition beginning in Feb 16. Watling Park School gained planning permission for its new building in spring 16 and Braywick Court School gained planning permission in July 16. For the new building project, Deer Park School had its planning application submitted in Aug 16 and this is expected to be considered in Jan 17.

These building programmes play a significant role in not only ensuring the schools gain a secure long-term future on their permanent site, it drives parental confidence when considering the school for their child. All building programmes are progressing well and the Trust provides significant support, so that this programme of development is not a distraction to the education provision within the school.

In HR, the risks are around setting policies and procedures to attract high quality staff, with the stability of a small team a key focus. The Trust's Recruitment & Retention Policy has been successful in this area

For ICT, the risk is about security of pupil data and e-safety for pupils who are using the internet. For pupil registration and attendance systems all schools are using Arbor and this protects pupil's information. The use of London Grid for Learning, secure firewalls and website filtering, provides effective security for all pupil who access the internet within school. Training is provided for parents in E-Safety for the same security at home.

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

- **Growth**

Since opening four Free Schools in September 2015, the trustees have agreed that the Trust requires a period of consolidation. This period was used to ensure that the systems and processes are developed to support the schools to be judged by OfSTED as Good or better.

With two OfSTED inspections due in 2016/17 and with the positive outcomes expected, the Trustees have had a discussion about future growth plans that will be developed over the 2016/17 academic year. This will be for either further Free Schools applications or working with converter schools within the regions the Trust currently operates.

- **Governance**

Bellevue Place Education Trust (BPET) is overseen by a Board of Trustees (also known as the BPET Board). The Trustees are highly experienced professionals and include the founding members' companies (two Trustees from each), who are associate education professionals, both in terms of teaching and leadership practitioners, inspectors and school improvement specialists – along with three independent Trustees.

Board governance risks are around the lack of detailed information to make effective decisions and the independence of the Board to ensure sound strategic directions are taken.

The structure of the board has evolved from a small, dynamic, entrepreneurial focus to drive the establishment of a new Trust. This drive has come from the two founding organisations, who were the approved organisations to establish the Trust.

The Trustees recognise that the Trust is moving into a stable period, during the consolidation phase and along with support the improvements around finance and education quality, this is also an opportunity to consider the governance structure of the Trust.

In addition to the small number of highly skilled individuals who form the current trustees, at the strategy meeting in June, Trustees agreed to appoint two further independent trustees, who will bring new skills to support the future development of the Trust. The appointments were planned for the next Annual General Meeting set on 14 October 2016. With a resignation of a trustee, three additional trustees were then appointed to fill this vacancy at the same time.

In terms of reporting, the agenda of the Board meetings are focused around the Performance of the Trust, Performance of the Schools, Financial Overview and Risk Management. An additional item for Development will be added, when the Trust is in a position to grow.

The papers remain comprehensive, with detailed reports for each agenda items, especially with Performance Reports for each schools, setting out the Key Performance Indicators (KPIs) for school performance, finance reports, buildings reports and an overarching Chief Executive's report. This has provided a comprehensive overview of the Trust along with a commitment from trustees to each visit a school once a term in their capacity as a trustee.

Through the scheme of delegation, the Board has delegated a great deal of autonomy to the schools, overseen by Local Governing Bodies. Across the seven schools, we have 73 governors with very few vacancies and their efforts and support are greatly appreciated by the schools and Board.

A great deal of work has gone into secure outstanding governance across the Trust. Communication between the LGBs and Board is also improving, with a termly report from the Board to the LGBs.

BELLEVUE PLACE EDUCATION TRUST

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

- Educational Standards

A key risk is if a school maintained by the Trust has standards that are below the targets, with lessons not being delivered by Good or Outstanding teachers. In time, this could result in educational standards being judged by OfSTED as failing (Special Measure or Significant Weaknesses). To mitigate this risk, the Trustees have adopted a School Improvement Strategy for all school, which sets out the School Improvement Review Cycle which has been delivered by Bellevue Education in 2015/16. This provides the Board, Chief Executive and LGBs with a detailed understanding of the strengths of the schools and also supports them in areas for improvement.

All schools are using the same assessment programme, Rising Stars within the Classroom Monitor system. This also enables the Trust to compare the standards across the schools and benchmark where schools are performing well and where there are weaknesses to be addressed.

A Performance Report is also produced on a termly basis that set out the KPIs for the school and RAG rates the school against these areas. This provides a snapshot overview of the strengths and areas for concern and enables intervention, if required. The targets within the Performance Report also links to the Headteachers Performance Management targets.

Through our monitoring and evaluation, all schools are on track to being at least Good in the next OfSTED inspection, with the two that are due in 2016/17 looking to demonstrate Outstanding features through the visit.

Plans for Future Periods

The Trust has successfully delivered the 12 Month Strategic Plan set by Trustees and following the review of the plan, have developed a 2 Year Strategic Plan 2016-2018. This plan is structured into seven strategic areas and the plan sets out the trust's priorities, to ensure the support is provided to the seven schools and are of development have a realistic delivery programme.

Auditor

Insofar 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 contract for external audit services has expired and a new contract is required to be tendered. The Audit & Risk Committee will be setting a timetable for this in spring 2017.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 December 2016 and signed on the board's behalf by:



Claire Delaney
Chair of Trustees
13 December 2016

BELLEVUE PLACE EDUCATION TRUST

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

GOVERNANCE STATEMENTScope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Bellevue Place Education 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, 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 Bellevue Place Education 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 5 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
Claire Delaney (Chair)	3	5
Mark Malley (Vice Chair)	4	5
Simon Rule	3	5
Steven Wade	5	5
Tom Legge	5	5
Mark Greatrex (chief executive and accounting officer)	5	5

The Board has remained stable throughout 2015/16, with no changes to the board of trustees.

Governance review

In line with good practice, the Chief Executive of the Trust conducted a Governance Review in spring 2016, reporting to the Board on 4 February in draft and the final version was approved on 12 April. The structure of the review was informed by the National College for School Leader Review of Governance – Tool for Facilitated Self-Review.

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

The recommendations presented and approved by the Board are set out below, with the progress to complete the action:

1. **Establish an Audit Committee during 2015/16 financial year** – this committee was added to the Governance structure of the Trust and first met on 12 April 2016. It re-appointed auditors and directed the executive to appoint separate internal auditors to provide further independent reporting, with the first internal audit report received in summer 2016.
2. **Board to annually review the Trust Risk Register** – the risk register is now formally reviewed at every Audit & Risk Committee, starting with the first meeting on 12 April 2016.
3. **Consider a strategic target for the Trust to clearly evidence the impact of governor training and development on the quality of governance across the Trust** – trustees discussed this point and included a review of local governance and how the quality of governance can be improved across the Trust. This was a focus of the Governance Workshop in September 2016, facilitated by the NGA.
4. **The Trust to provide a benchmarking report to the Board on how value for money is being achieved in comparison to other Trust's** – this process is starting with key spend areas and the two that have been looked at initially is supply staffing and clerking of Local Governing Bodies. Both are showing huge variance patterns across the schools, with recommendations to Headteachers to achieve better value for money.
5. **Review the Terms of Reference for the Board and discuss the appointment of committees to support the Board** – the BPET Board Governance Policy was adopted on 4 February 2016 by the Board, that set out terms of reference for the Board and set out the two committees for Finance and Audit & Risk, with their terms of reference.
6. **Conduct a skills audit of trustees, to support the development of succession planning, growth and training priorities for the future** – a skills audit of trustees was conducted in June 2016, that supported the identification for the new trustees that were appointed on 14 October 2016.
7. **Develop a strategic calendar for the academic year setting out for key decisions, approval of policies and receiving reports throughout the academic year** – a Board strategic calendar was presented to the Board at its first meeting in 2016/17 for the academic year, setting out the standard items, items for annual review, when priorities from the 2 Year Strategic Plan were due for presentation and timeline for policy approvals. This has been welcomed by the trustees.

BELLEVUE PLACE EDUCATION TRUST

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

8. **Develop succession planning arrangements for Trustees, senior Trust staff and Headteachers** – *developing succession planning is a strategic priority for the Trust and is scheduled to be considered at the Board meeting in February 2016.*
9. **Scheme of Delegation to include levels of financial delegation for Pupil Premium** – *this was added to the scheme of delegation when it was reviewed in July 2016 and circulated to Heads and Chairs of Governors on 1 September 2016.*

Through the review, it was identified that the members and trustees continue to demonstrate their capability and capacity to successfully manage pre-opening and the operation of the open new schools.

Demand for places across the schools is high, and local parents and communities are committed to Bellevue Place's unique combination of deploying what works best in state and independent schooling. In conducting this review, using the checklist set out in Appendix 1 and the review of EFA visits to other Trust's, the following recommendation seek to further develop the Board's effectiveness.

With the past two years being internal reviews, an external Governance Review will be conducted in 2016/17 by the National Governance Association (NGA), with a scoping meeting and a workshop having taken place in September 2016.

The **finance committee** is a committee of the main board of trustees. The purpose of the Finance Committee is to assist the decision making of the Trust Board, by enabling more detailed consideration to be given to the best means of fulfilling the BPET Board responsibility to ensure sound management of the schools' finances and resources, including proper planning, budgeting, budget monitoring and probity. They will take particular cognisance of all risk and mitigation factors associated with the Finances of the Trust.

They will make appropriate comments and recommendations on such matters to the BPET Board on a regular basis and ensure the Trust adheres to the requirements of the EFA Financial Handbook 2016.

It was agreed all trustees will be members of this committee, with the improvement in finances being a key area for development in 2015/16. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Claire Delaney (Chair)	2	2
Mark Malley (Vice Chair)	2	2
Simon Rule	2	2
Steven Wade	1	2
Tom Legge	1	2
Mark Greatrex (chief executive and accounting officer)	2	2

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

The Audit & Risk Committee is also a committee of the main board of trustees. The purpose of this Committee is to assist the decision making of the Trust Board by providing a process for independent checking of financial controls, systems, transactions and risks as required by the EFA across the work of the Trust and its schools. The Committee must review internal financial controls at the Trust and its schools and must agree a programme of work that will address these in order to inform the governance statement that accompanies the Trust's annual accounts and, so far as is possible, provide assurance to the external auditors, EFA and the Secretary of State.

The Audit & Risk Committee will be the 'Dedicated Audit Committee' required by EFA in the current version of the Academies Financial Handbook for Trust's with an annual income over £50m.

As set out in the Academies Finance Handbook 2016, the Audit Committee's work must provide assurances to the Board that all risks are being adequately identified and managed in particular regard to:

- reviewing the risks to internal financial control at the Trust
- agreeing a programme of work to address, and provide assurance on, those risks

All major issues will be referred to the full Trust Board for ratification.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mark Malley (Chair)	1	1
Simon Rule	1	1

Review of Value for Money

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

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

- Providing an updated Financial Handbook, with clear guidance for procurement processes for larger spend contracts and principles for all value for money tests on all spend
- The finance team has started to look at spend across the schools and identified where good practice is occurring, celebrating this and reducing area of high spend which is not consistent in similar schools. The first items were supply staffing and clerking of Local Governing Bodies.

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

- Staffing for each school and Trust is scrutinised by the LGB and Trust board to ensure staff are efficiently deployed and are appropriately qualified, experienced and enthusiastic
- Pupil Premium funding has been allocated to optimum effect, as detailed in the individual plans for each school
- Regular budget re-forecasts are carried out, updating the three-year plan, which enables short term and medium term planning to be carried out, in ever changing new schools
- Procurement rules are followed stringently, with all schools clear of their requirement when purchasing along with their sign off limits.
- The Trust has procured a procurement company – School Buying Club (SBC) – to carry out all medium and large scale purchases. As experts, they gain the best value for money for all large contracts and making use of the economies of scale across seven schools.
- SBC provide a contracts register for all schools and the Trust, setting out when contract agreements are due to expire and be re-tendered. This allows all large scale contracts to be tested against the market on a regular basis.

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 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 Bellevue Place Education Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

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

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:

- to appoint Moore Stephens LLP as internal auditor

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:

- Management of risks, fraud, theft and irregularity
- Financial planning and budget monitoring
- Procurement (including contracts, high value expenditures, leasing agreements and day to day transactions
- Receipt of income and reporting
- Banking and Reconciliations
- Petty cash and staff expenses
- Payroll and Personnel Procedures
- Asset management and safeguarding
- Conflicts of Interest and connected parties

On a biannual basis, the auditor reports to the Audit & Risk Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Moore Stephens LLP were procured in May 2016 for a year and a term, delivering their schedule of work as planned in 2015/16. All 22 recommendations for the first report have been actioned, with progress on delivering the commitments through the Civica financial system continuing into 2016/17. This is being successfully trailed and will be completed by the time of the next Internal Audit.

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

Review of Effectiveness

As accounting officer, the chief executive 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 internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit & Risk 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 13 December 2016 and signed on its behalf by:



Claire Delaney
Chair of Trustees



Mark Greatrex
Accounting Officer

BELLEVUE PLACE EDUCATION TRUST

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2016**

As accounting officer of Bellevue Place Education Trust I have considered my responsibility to notify the board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy Trust, or material non-compliance with the terms and conditions of funding under the academy Trust's funding agreement and the Academies Financial Handbook 2015.

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



Mark Greatrex
Accounting Officer

13 December 2016

BELLEVUE PLACE EDUCATION TRUST

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who act as governors of Bellevue Place Education Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published 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:

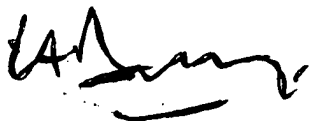
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 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 13 December 2016 and signed on its behalf by:



Claire Delaney
Chair of Trustees

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BELLEVUE PLACE EDUCATION TRUST**

We have audited the financial statements of Bellevue Place Education 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 AUDITOR

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 Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the 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.

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BELLEVUE PLACE EDUCATION TRUST**

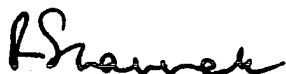
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Rakesh Shaunak FCA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants

New Bridge Street House

30-34 New Bridge Street

London

EC4V 6BJ

Date: 20-12-16

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO BELLEVUE PLACE EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter 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 Bellevue Place Education Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF BELLEVUE PLACE EDUCATION TRUST'S ACCOUNTING OFFICER AND THE REPORTING AUDITOR

The accounting officer is responsible, under the requirements of Bellevue Place Education Trust's funding agreement with the Secretary of State for Education 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.

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.
- Review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy
- Testing of a sample of payroll payments to staff
- Testing of a sample of payments to suppliers and other third parties
- Testing of a sample of grants received and other income streams.

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO BELLEVUE PLACE
EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 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.

MHA MacIntyre Hudson

MHA MacIntyre Hudson

Chartered Accountants

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

Date: 20-12-16

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING 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	2	9,721	-	10,281,609	10,291,330	2,407,993
Charitable activities	5	-	4,689,922	-	4,689,922	2,462,523
Other trading activities	3	35,103	-	-	35,103	37,100
Investments	4	879	36,000	-	36,879	-
TOTAL INCOME		45,703	4,725,922	10,281,609	15,053,234	4,907,616
EXPENDITURE ON:						
Raising funds		20,745	-	-	20,745	7,173
Charitable activities	9	15,786	4,715,903	588,302	5,319,991	2,833,958
TOTAL EXPENDITURE	6	36,531	4,715,903	588,302	5,340,736	2,841,131
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		9,172	10,019	9,693,307	9,712,498	2,066,485
Actuarial losses on defined benefit pension schemes	22	-	(352,000)	-	(352,000)	(2,000)
NET MOVEMENT IN FUNDS		9,172	(341,981)	9,693,307	9,360,498	2,064,485
RECONCILIATION OF FUNDS:						
Total funds brought forward		6,650	149,653	7,472,198	7,628,501	5,564,016
TOTAL FUNDS CARRIED FORWARD		15,822	(192,328)	17,165,505	16,988,999	7,628,501

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07956784

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	15		17,150,986		7,472,198
CURRENT ASSETS					
Debtors	16	1,214,547		155,443	
Cash at bank and in hand		598,717		397,684	
		<u>1,813,264</u>		<u>553,127</u>	
CREDITORS: amounts falling due within one year	17	<u>(1,598,251)</u>		<u>(371,824)</u>	
NET CURRENT ASSETS			<u>215,013</u>		<u>181,303</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,365,999</u>		<u>7,653,501</u>
Defined benefit pension scheme liability	22		<u>(377,000)</u>		<u>(25,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>16,988,999</u></u>		<u><u>7,628,501</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	18	184,672		174,653	
Restricted fixed asset funds	18	<u>17,165,505</u>		<u>7,472,198</u>	
Restricted income funds excluding pension liability		<u>17,350,177</u>		<u>7,646,851</u>	
Pension reserve		<u>(377,000)</u>		<u>(25,000)</u>	
Total restricted income funds			<u>16,973,177</u>		<u>7,621,851</u>
Unrestricted income funds	18		<u>15,822</u>		<u>6,650</u>
TOTAL FUNDS			<u><u>16,988,999</u></u>		<u><u>7,628,501</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 13 December 2016 and are signed on their behalf, by:



Claire Delaney
Chair of Trustees

The notes on pages 35 to 58 form part of these financial statements.

BELLEVUE PLACE EDUCATION 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	20	(27,986)	130,530
Cash flows from investing activities:			
Purchase of tangible fixed assets		(10,052,590)	(2,372,086)
Capital grants from DfE/EFA		10,281,609	2,387,466
Net cash provided by investing activities		229,019	15,380
Change in cash and cash equivalents in the year		201,033	145,910
Cash and cash equivalents brought forward		397,684	251,774
Cash and cash equivalents carried forward		598,717	397,684

BELLEVUE PLACE EDUCATION 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, 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 (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.

Bellevue Place Education Trust constitutes a public benefit entity as defined by FRS 102.

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.

BELLEVUE PLACE EDUCATION 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 incorporating income and expenditure account 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 incorporating income and expenditure account 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.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

1.4 Expenditure

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

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

Charitable activities and Governance costs 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.

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future 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..

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. 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
Computer equipment	- 5 years straight line

1.7 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.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 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.

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 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.

1.12 Taxation

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

1.13 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 22, 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.

BELLEVUE PLACE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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 incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses

1.14 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 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 22, 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.

BELLEVUE PLACE EDUCATION TRUST
(A company limited by guarantee)

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	9,721	-	-	9,721	20,527
Capital Grants	-	-	10,281,609	10,281,609	2,387,466
	<u>9,721</u>	<u>-</u>	<u>10,281,609</u>	<u>10,291,330</u>	<u>2,407,993</u>
Total donations and capital grants	9,721	-	10,281,609	10,291,330	2,407,993

In 2015, of the total income from donations and capital grants, £20,527 was to unrestricted funds and £2,387,466 was to restricted fixed asset fund.

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	34,102	-	34,102	35,018
Other income	1,001	-	1,001	2,082
	<u>35,103</u>	<u>-</u>	<u>35,103</u>	<u>37,100</u>

In 2015, of the total income from activities for generating funds, £35,018 was to unrestricted funds and £2,082 was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	879	-	879	-
Defined benefit pension scheme finance income	-	36,000	36,000	-
	<u>879</u>	<u>36,000</u>	<u>36,879</u>	<u>-</u>

In 2015, of the total investment income, £Nil was to unrestricted funds and £Nil was to restricted funds.

BELLEVUE PLACE EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General annual grant (GAG)	-	3,470,870	3,470,870	1,349,158
Start up grant	-	583,500	583,500	265,320
Pupil premium	-	166,470	166,470	31,026
Other DfE/EFA grants	-	24,690	24,690	84,920
	-	4,245,530	4,245,530	1,730,424
Other government grants				
Local authority grants	-	77,496	77,496	55,696
Other government grants	-	299,256	299,256	658,774
	-	376,752	376,752	714,470
Other income from charitable activities				
Trip income	-	13,077	13,077	8,129
Other income	-	54,563	54,563	9,500
	-	67,640	67,640	17,629
	-	4,689,922	4,689,922	2,462,523

In 2015, of the total income from charitable activities, £Nil was to unrestricted funds and £2,462,523 was to restricted funds.

BELLEVUE PLACE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on fundraising trading	-	-	20,745	20,745	7,173
Educational Operations:					
Direct costs	2,726,851	341,126	673,441	3,741,418	1,798,959
Support costs	556,094	494,991	527,488	1,578,573	1,036,999
	<u>3,282,945</u>	<u>836,117</u>	<u>1,221,674</u>	<u>5,340,736</u>	<u>2,843,131</u>

In 2016, of the total expenditure, £36,531 (2015 - £30,733) was to unrestricted funds, £4,718,095 (2015 - £2,513,363) was to restricted funds and £586,110 (2015 - £290,035) was to restricted fixed asset fund.

7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Educational Operations	<u>3,741,418</u>	<u>1,578,573</u>	<u>5,319,991</u>	<u>2,833,958</u>

In 2016, of the total educational expenditure, £15,786 (2015 - £20,590) was to unrestricted funds, £4,715,903 (2015 - £2,523,333) was to restricted funds and £588,302 (2015 - £290,035) was to restricted fixed asset fund.

BELLEVUE PLACE EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

8. SUPPORT COSTS

	Fundraising expenses	Educational Operations	Total 2016	Total 2015
	£	£	£	£
Repairs and maintenance	-	192,887	192,887	-
Cleaning	-	66,007	66,007	29,225
Rates and water	-	11,893	11,893	15,519
Light and heat	-	43,289	43,289	35,077
Legal and professional services	-	8,083	8,083	41,384
Insurance	-	39,350	39,350	56,689
Other support costs	20,745	95,024	115,769	55,795
Office and related costs	-	91,334	91,334	132,256
Bank charges	-	2,426	2,426	1,343
Governance costs	-	98,384	98,384	119,102
Wages and salaries	-	556,094	556,094	267,747
Depreciation	-	373,802	373,802	290,035
	20,745	1,578,573	1,599,318	1,044,172

In 2016, of the total support costs, £36,531 (2015 - £30,733) was to unrestricted funds, £974,485 (2015 - £723,404) was to restricted funds and £588,302 (2015 - £290,035) was to restricted fixed asset fund.

9. GOVERNANCE COSTS

	2016 £	2015 £
Auditor's remuneration - Audit of the financial statement	8,500	7,500
Auditor's remuneration - Other services	1,150	1,450
Legal and professional fees	88,734	110,152
	98,384	119,102

10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	373,802	290,035
Auditor's remuneration - audit	8,500	7,500
Auditor's remuneration - other services	1,150	1,450

BELLEVUE PLACE EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

11. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	2,610,921	1,167,159
Social security costs	222,353	89,221
Operating costs of defined benefit pension schemes	413,671	162,821
	<u>3,246,945</u>	<u>1,419,201</u>
Defined benefit pension scheme finance cost	36,000	16,000
	<u>3,282,945</u>	<u>1,435,201</u>

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

	2016 No.	2015 No.
Teachers	31	10
Administration and support	36	16
Management	10	8
	<u>77</u>	<u>34</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	6	4

The Key Management Personnel of the Academy Trust comprise the Trustees as listed on page 2 and the respective Headteachers of each Academy. The total amount of employee benefits (including employer pension contributions) received by Key Management Personnel for their services to the Academy Trust was £665,324 (2015 - £401,244).

BELLEVUE PLACE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

12. CENTRAL SERVICES

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

- School improvement: leadership and management support
- School improvement: pupil progress and achievement support
- Continuing professional development and training; building staff capacity
- Professional services support as follows:

- Finance
- Human Resources
- Estates
- IT administration
- Marketing, communications and media support
- Health and safety

The Trust charges for these services on the basis of a top slice of income at 5%.

The actual amounts charged during the year were as follows:

	2016	2015
	£	£
Rutherford House	47,754	29,022
Braywick Court	19,083	11,634
Whitehall Park	37,897	14,621
Deer Park	15,169	-
Kilburn Grange	23,280	-
Halley House	21,790	-
Watling Park	19,596	-
	<hr/>	<hr/>
Total	184,569	55,277
	<hr/>	<hr/>

BELLEVUE PLACE EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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 Headteachers and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2016 £	2015 £
Mark Greatrex, Chief Executive and Accounting Officer	Remuneration	75,000-80,000	75,000-80,000
	Pension contributions paid	0-5,000	0-5,000

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

14. 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 year ended 31 August 2016 was £14,900 (2015 - £14,900).

15. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2015	7,077,574	181,794	651,523	7,910,891
Additions	9,563,884	301,928	186,778	10,052,590
At 31 August 2016	16,641,458	483,722	838,301	17,963,481
Depreciation				
At 1 September 2015	246,589	30,224	161,880	438,693
Charge for the year	176,127	65,194	132,481	373,802
At 31 August 2016	422,716	95,418	294,361	812,495
Net book value				
At 31 August 2016	16,218,742	388,304	543,940	17,150,986
At 31 August 2015	6,830,985	151,570	489,643	7,472,198

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16. DEBTORS

	2016 £	2015 £
Trade debtors	22,986	-
Other debtors	63,088	26,470
Prepayments and accrued income	1,128,473	128,973
	<u>1,214,547</u>	<u>155,443</u>

17. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	855,259	299,471
Other taxation and social security	75,759	-
Accruals and deferred income	667,233	72,353
	<u>1,598,251</u>	<u>371,824</u>

	2016 £	2015 £
Deferred income		
Resources deferred during the year	<u>234,017</u>	<u>-</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2015/2016 academic year in respect of:

- Restricted funding from the EFA for free school meals received in advance;
- Unrestricted rental income relating to lettings in the Autumn term.

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

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General Funds - all funds	6,650	45,703	(36,531)	-	15,822
Restricted general funds					
Restricted Funds - all funds	174,653	4,689,922	(4,679,903)	-	184,672
Pension reserve	(25,000)	36,000	(36,000)	(352,000)	(377,000)
	<u>149,653</u>	<u>4,725,922</u>	<u>(4,715,903)</u>	<u>(352,000)</u>	<u>(192,328)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Fund	7,472,198	10,281,609	(588,302)	-	17,165,505
Total restricted funds	<u>7,621,851</u>	<u>15,007,531</u>	<u>(5,304,205)</u>	<u>(352,000)</u>	<u>16,973,177</u>
Total of funds	<u>7,628,501</u>	<u>15,053,234</u>	<u>(5,340,736)</u>	<u>(352,000)</u>	<u>16,988,999</u>

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

Restricted Fixed Asset Fund represents the trust's investment in fixed assets, net of any depreciation. Any unspent capital grants are held in this fund to be applied for the purpose intended by the grantor.

Restricted general funds will be used for educational purposes in line with the academy trust's objects and its funding agreement with the EFA. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the carry forward at 31 August 2015.

Restricted funds in respect of the defined benefit relate to the movement on the Local Government Pension Scheme liability.

Unrestricted funds relate to donations and other income given without restriction to its purpose and can be used for the general purposes of the academy trust.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Central Trust	77,851	56,883
Rutherford House	31,295	40,941
Braywick Court	20,379	43,384
Whitehall Park	47,199	40,095
Deer Park	19,990	-
Kilburn Grange	26,561	-
Halley House	(3,399)	-
Watling Park	(19,382)	-
Total before fixed asset fund and pension reserve	200,494	181,303
Restricted fixed asset fund	17,165,505	7,472,198
Pension reserve	(377,000)	(25,000)
Total	16,988,999	7,628,501

Halley House Academy is carrying a net deficit of £3,339 and Watling Park Academy is carrying a net deficit of £19,382 on these funds.

In their first year of operation, the two schools have tackled challenges around staff and pupil recruitment. The Board took a decision in the best interest of Watling Park School to allow up to a £40,000 in-year deficit, so that the best staff can be appointed for the long-term success of the school. This is the benefit of being an Academy Trust, using the combined surplus across the Trust to support the development of the most challenged schools, for the best interest of the pupils at that school. Both schools have three year budget plans and are both projecting a surplus in 2016/17.

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18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Other costs excluding depreciation £	Total 2016 £	Total 2015 £
Central Trust	-	297,137	138,742	435,879	711,771
Rutherford House	736,229	82,920	442,289	1,261,438	943,952
Braywick Court	312,714	26,204	159,824	498,742	321,680
Whitehall Park	570,070	56,843	255,434	882,347	535,960
Deer Park	195,392	859	246,632	442,883	-
Kilburn Grange	318,100	39,555	145,138	502,793	-
Halley House	295,417	29,807	138,564	463,788	-
Watling Park	298,929	22,769	157,366	479,064	-
	<u>2,726,851</u>	<u>556,094</u>	<u>1,683,989</u>	<u>4,966,934</u>	<u>2,513,363</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted general funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	17,150,986	17,150,986	7,472,198
Current assets	152,699	1,646,047	14,519	1,813,265	553,127
Creditors due within one year	(136,877)	(1,461,375)	-	(1,598,252)	(371,824)
Provisions for liabilities and charges	-	(377,000)	-	(377,000)	(25,000)
	<u>15,822</u>	<u>(192,328)</u>	<u>17,165,505</u>	<u>16,988,999</u>	<u>7,628,501</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	9,712,498	2,066,485
Adjustment for:		
Depreciation charges	373,802	290,035
Increase in debtors	(1,059,104)	(77,910)
Increase in creditors	1,226,427	216,386
Capital grants from DfE	(10,281,609)	(2,387,466)
Defined benefit pension scheme cost less contributions payable	36,000	16,000
Defined benefit pension scheme finance cost	(36,000)	7,000
Net cash (used in)/provided by operating activities	(27,986)	130,530

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	598,717	397,684
Total	598,717	397,684

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**NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Pension Authority, Islington Council Pension Fund and the County of Berkshire Pension Fund. Both are 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 £13,925 were payable to the schemes at 31 August 2016 (2015 - Nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

22. PENSION COMMITMENTS (continued)

The employer's pension costs paid to TPS in the period amounted to £272,000 (2015 - £110,000).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 £139,000 (2015 - £71,000), of which employer's contributions totalled £101,000 (2015 - £52,000) and employees' contributions totalled £38,000 (2015 - £19,000). The agreed contribution rates for future years are 13.2% for employers and 5.5 - 7.5% for employees.

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

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

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	3.20 %	2.70 %
Inflation assumption (RPI)	2.30 %	3.60 %

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	26.2	26.1
Retiring in 20 years		
Males	25.2	25.1
Females	28.5	28.4

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22. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	146,000	149,000
Gilts	4,000	6,000
Property	38,000	27,000
Other bonds	40,000	45,000
Cash	12,000	20,000
Other	58,000	2,000
Total market value of assets	<u>298,000</u>	<u>249,000</u>

The actual return on scheme assets was £48,000 (2015 - £2,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(137,000)	(68,000)
Net interest cost	36,000	(7,000)
Total	<u>(101,000)</u>	<u>(75,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	274,000	16,000
Current service cost	137,000	68,000
Interest cost	12,000	9,000
Contributions by employees	38,000	19,000
Actuarial losses	215,000	2,000
Benefits paid	(1,000)	-
Liabilities assumed in a business combination	-	160,000
Closing defined benefit obligation	<u>675,000</u>	<u>274,000</u>

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

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

	2016 £	2015 £
Opening fair value of scheme assets	249,000	16,000
Interest income	48,000	2,000
Actuarial gains and (losses)	(137,000)	-
Contributions by employer	101,000	52,000
Contributions by employees	38,000	19,000
Assets acquired in a business combination	-	160,000
Benefits paid	(1,000)	-
Closing fair value of scheme assets	298,000	249,000

23. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	8,355	1,345
Between 1 and 5 years	26,410	5,380
After more than 5 years	1,009	2,354

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy Trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. The table below sets out the related party transaction took place in the period of account, with a comparison between 2015/16 expenditure compared to 2014/15 expenditure.

Related Party	2015/16	2014/15	Nature of work
Bellevue Education International Ltd	£66,690	£31,996	School Improvement Services, supporting schools to deliver the Trust vision
Place Group Consulting Ltd	£3,936	£206,730	Project management for opening of new Free School and services in establishing the Trust
School Business Services	£25,184	£4,278	Financial administration services, budget planning software and cloud hosting service for the financial system

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NOTES TO THE FINANCIAL STATEMENTS
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24. RELATED PARTY TRANSACTIONS (continued)

School's Buying Club	(£3,371)	£Nil	Procurement service for large scale contracts
Waddington Matthews	£Nil	£17,903	Strategic Management support for the opening of the four new schools
Total	£92,439	£260,907	

To provide transparency to these transactions, further information is provided below regarding the Related Party Transaction spend in 2015/16 along with how the conflict has arisen with the Trust.

Bellevue Education Ltd (now Bellevue Education International Ltd) – a company in which Mark Malley is the CEO and Steven Wade is the Schools Director (both trustees of the Trust) has an interest:

- Bellevue Education provide School Improvement services to the Trust, which involves conducting a review cycle of the schools, monitoring standards and supporting improvement in standards. The Trust outsources this service instead of employing a central education team.
- The review cycle provides information to the Board and Local Governing Body about the standards of the school – providing the Trust's external review, in addition to reports from the Headteacher.
- The contract is a two-year contract from 2014 to 2016 and was tendered through a Restricted Tender process. This contract will need to be re-tendered for services from September 2016 onwards.
- The Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Mark Malley and Steven Wade neither participated in, nor influenced.
- In entering into the transaction the Trust has complied with the requirements of the Academies Financial Handbook 2015 and are provided at cost.

Place Group Ltd – a company in which Simon Rule is the CEO and Claire Delaney is the Managing Director (both trustees of the Trust) has an interest in:

- In 2014/15, Place Group provided the project management services to establish four new schools which opened in September 2015. This service was to carry out overall project direction and management, education advisory support, marketing, events and consultation including social media and section 10 consultation, admissions management, construction and ICT design and contractor liaison, capital management and recruitment management.
- In 2015/16 academic year, Place Group did a small amount of support for the Trust, mainly residual Trust start-up overheads that have since been moved to the Trust (e.g. mobile phone contracts and line rental costs). No contract agreements are currently in place with Place Group.
- The trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Simon Rule and Claire Delaney neither participated in, nor influenced.
- In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2015 and are provided at cost.

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24. RELATED PARTY TRANSACTIONS (continued)

School Business Services – a company which holds a 35% shareholding in Place Group Ltd and provides the following services to the Trust:

- School Business Services provide IT and Financial administration support to the Trust.
- In the founding years the financial management of the Trust was outsourced, with School Business Services, winning the contract for this work. In October 2015, as the Trust moved from three schools to seven school, the Trust appointed a Head of Finance, with a great deal of work going into transitioning and adapting the finance structure for a greater number of schools.
- The Trust also purchased its budget planning software through School Business Services, as part of this arrangement and this service will cease at the end of 2015/16, along with the financial administration support.
- The final service that School Business Services provides to the Trust and will continue into 2016/17 is the cloud hosting service for the financial system (Civica).
- The Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Simon Rule and Claire Delaney neither participated in, nor influenced.
- In entering into the transaction the Trust has complied with the requirements of the Academies Financial Handbook 2015 and are provided at cost.

School's Buying Club – a company in which Claire Delaney and Simon Rule are founding owners (both trustees of the Trust) has an interest:

- School's Buying Club provide procurement services to schools within the Trust.
- The model for the company is to tender large scale items compliantly and support the school is managing the contract over its lifespan and charging the successful company a % fee. Therefore, there was no direct spend in 2014/15 or in 2015/16, as with all schools that use the School's Buying Club service.
- In order to be fully transparent and compliant, the Trust went to the market for education procurement support, in order to maximise the Trust's aggregated back office purchasing power. The Trust used an independent procurement consultant, in accordance with its financial regulations and entered into a contract, which Simon Rule and Claire Delaney neither participated in, nor influenced. The income the Trust received in 2015/16 related to the renting of office space at Rutherford House School, utilising empty space that the school has no need for until 2018.
- In entering into the transaction the Trust has complied with the requirements of the Academies Financial Handbook 2015 and services are provided at cost.

25. CONTROLLING PARTY

There is no ultimate controlling party.

26. COMPANY LIMITED BY GUARANTEE

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

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**NOTES TO THE FINANCIAL STATEMENTS
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27. 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.

28. 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		5,564,016	7,628,501
Total funds reported under FRS 102		<u>5,564,016</u>	<u>7,628,501</u>

Reconciliation of net income	Notes	31 August 2015 £
Net income previously reported under UK GAAP		2,075,485
Change in recognition of LGPS interest cost	1	(9,000)
Net movement in funds reported under FRS 102		<u>2,066,485</u>

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

- 1 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 £9,000 and reduce the credit in other recognised gains and losses in the Statement of Financial Activities by an equivalent amount.