

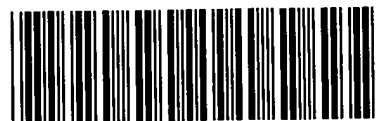
St Edward's Church Of England Academy Trust, Leek

Trustees Report and Financial Statements

For the year ended 31 August 2015

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St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

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**St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)**

**Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2015**

Members

Church of England Central Education Trust (formerly known as Lichfield Diocesan Academies Trust)
Lichfield Diocesan Board of Education
Rev N Irons

Trustees

Mr J Morton, Chair of Trustees (until September 2015)¹
Rev L Price
Rev N Irons¹
Mrs E Clarke, Principal and Accounting Officer¹
Mr C Abell, Staff Trustee (resigned 26 September 2015)¹
Mrs R Bell
Mrs M Collier, Staff Trustee
Mrs H De Gale (resigned 30 April 2015)
Mrs C Hall
Mrs P Handforth, Staff Trustee
Mr C Hesketh¹
Mr K Hollins (resigned 31 January 2015)
Dr G Lewis
Mr F Murray¹
Mrs D Potts
Miss E Priestman
Mr G Torr¹
Mrs B Tunnicliff¹
Mrs C Simmonds, Responsible Officer and Chair of Trustees (from September 2015)

¹ Members of the Finance Committee

Company registered number

08316327

Principal and registered office

Westwood Road, Leek, Staffordshire, ST13 8DN

Company secretary

Mrs S A Casey

Senior management team

Mrs E Clarke, Principal
Mr J Parrish, Vice Principal
Mrs J Bell, Assistant Principal
Mrs D Haydon, Assistant Principal
Mrs S Casey, Business Manager
Mrs R Rose, Lead Practitioner

Independent auditors

Dains LLP, Suite 2, Albion House, 2 Etruria Office Village, Forge Lane, Etruria, Stoke on Trent, ST1 5RQ

**St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)**

**Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers
For the year ended 31 August 2015**

Administrative details (continued)

Bankers

Lloyds Bank, Fountain Square, Hanley, Stoke-on-Trent, ST1 1JY

Solicitors

Browne Jacobson, 44 Castle Gate, Nottingham, NG1 7BJ

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Trustees' Report
For the year ended 31 August 2015

The Trustees present their annual report together with the audited financial statements of St Edward's Church Of England Academy Trust (St Edward's Academy) for the year to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an Academy for pupils aged 9-13 serving a catchment in the west of Leek and including the village of Cheddleton. It has a pan of 768 and currently a roll of 747 for July 2015.

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

Structure, governance and management

Constitution

The Academy is a charitable 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 are also the directors of the charitable company for the purposes of company law and the governors of the Academy. The charitable company is known as St Edward's Academy.

The Charitable Company was incorporated at Companies House on 3 December 2012. A Funding Agreement with the Secretary of State was signed on 21 December 2012 and St Edward's Church Of England Junior High School converted to academy status on 1 January 2013.

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

Members' liability

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

Trustees' indemnities

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.

Method of recruitment and appointment or election of Trustees,

Trustees are sought with the approval of the church parish council and by election in the case of parent and staff Trustees.

The members shall appoint a minimum of 13 Trustees to include:

- a. The Incumbent who shall be a Trustee ex officio;
- b. Two individuals to be appointed by the incumbent in his or her capacity as a Member in consultation with the Parochial Church Council of the Parish of Leek and Meerbrook;
- c. Eight individuals to be appointed by the Church of England Central Education Trust; and
- d. One Trustee who is a Trustee in the Leek Federation to be appointed by Church of England Central Education Trust provided that:
 - i) A reciprocal arrangement allowing a Trustee of the Academy Trust to be appointed Trustee in the Leek Federation is in place; and
 - ii) Such persons are, in the opinion of Church of England Central Education Trust, committed to the government and success of the Academy.

Lichfield Diocesan Academies Trust may not appoint an employee of the Academy Trust as a Trustee if the number of Trustees who are employed by the Academy Trust (including the Principal) would thereby exceed one third of the total number of Trustees.

The Members may appoint up to three Staff Trustees through such process as they may determine. The Principal and the Incumbent shall be treated for all purposes as being ex officio Trustees.

Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he/she is elected. The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Trustees, including any questions of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Trustee which is contested shall be held by secret ballot. The arrangements made for the election of Parent Trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he/she prefers, by having his/her ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Trustee is required to be filled by election, the Governing Body shall take steps as are reasonably practical to secure that every person who is known to them be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. The number of Parent Trustees required shall be made up by Parent Trustees appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies. In appointing a Parent Trustee the governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Policies and procedures adopted for the induction and training of Trustees

During the year under review the Academy's Full Governing Body held 5 meetings and there were 5 meetings of the Finance and HR Committee. The training and induction provided for new Trustees will depend on their existing experience. Diocesan Trustees are appointed in consultation with St Edward's Church to ensure that the persons are local and able to commit to the heavy workload/ attendance required. Skills gaps on the governing body are considered in the appointment of new Trustees. A skills audit was completed this year to identify any need. Experience relevant to the roles is also a key factor in determining persons who may be approached to consider the role of Trustee. Many courses this year have been attended by Trustees to develop their roles. Where necessary, an induction will provide training on charity and educational, legal and financial matters. All

new Trustees will be given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided, at an appropriate time, with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. A web area in the Learning Platform exists solely for the purpose of the Trustees to allow them to focus on key documents, new changes and to keep up to date with minutes of meetings and other key information. The area has a discussion facility. In addition, this year further training was provided for all Trustees on the meaning of being a Christian school linking in the vision discussions for the academy. The free training provided by the government has been accessed and shared by the Trustees. Trustees also share with local Trustees from other schools in the LEP (Leek Education Partnership) their training on a local basis. A new forum has been created this year for formal meetings between the Chairs and Vice chairs of the local LEP schools. An Action plan for Trustees includes training provision and workshop development for the coming year.

Organisational structure

The Trustees will exercise their powers and function with a view to fulfilling a largely strategic leadership role in the running of the academy, addressing such key aims as:

- policy development and strategic planning, including target-setting to keep up momentum on school improvement
- ensuring sound management and administration of the academy, and ensuring that managers are equipped with relevant skills and guidance
- ensuring compliance with legal requirements
- establishing and maintaining a transparent system of prudent and effective internal controls
- management of the academy's financial, human and other resources (in particular control over the spending identified in the academy's development plan)
- monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon
- helping the academy be responsive to the needs of parents and the community and making it more accountable through consultation and reporting
- maintaining the spiritual guidance of the school as a Church School
- setting the academy's standards of conduct and values
- assessing and managing risk

Objectives, strategies and activities

St Edward's Academy's aspirations of 'Learn for Life' are reflected in the culture and ethos of the Academy, in the way in which our community is built upon a Christian ethos which promotes sensitivity, tolerance and the appreciation of difference; at the heart of our work is the life long education of the young people in our care to the best possible outcome. To this end the activities provided include:

- tuition and learning opportunities for all students to attain successful outcomes
- training opportunities and sharing of good practice for all staff designed to improve effectiveness and enhance career progression
- a programme of sporting and after school leisure activities for all students
- involvement in a large range of activities beyond the framework of the classroom and links with the community and church and international experiences

Our vision has been embedded this year in all aspects of school life and reflects our key aims and objectives for the Academy.

Following Christian principles based on the teachings of Jesus, where every person is loved and accepted by God, our vision is to prepare all our young people academically, physically, emotionally and spiritually, so they realise their God given potential, becoming lifelong learners and effective contributors to our global community.

St Edward's Church Of England Academy Trust, Leek
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Trustees' Report (continued)
For the year ended 31 August 2015

Our mission is to create a centre of creative teaching and learning excellence, with high standards and expectations that promotes skills for life and celebrates achievement, participation and well-being for all.

Our aims and values are;

- Offer a broad, rich and exciting curriculum in a stimulating Christian environment that recognises and develops every person's potential, individual skills and talents.
- Encourage self-confidence, independence of thought and self-motivation to prepare our young people for the challenges of the future.
- Nurture and develop a team environment that encourages and supports all staff in their professional development, well-being and personal fulfilment.
- Continue to nurture and grow a learning community where our pupils, their families, staff and Trustees have a real sense of family and belonging.
- Be a focal point at the heart of our local community, building strong and cohesive links with the wider community and the world at large.
- Promote the values of respect, kindness, compassion, fairness, forgiveness, love, honesty and trust.
- *Learn for Life* and be the best that we can be

The Academy is committed to sustainable development throughout all aspects of its operations. The Academy will continue to strive to meet or exceed Sustainable Development in Government.

Objectives and Aims
Key objectives for 2014 -2015

Learning and Achievement

- Progress for target groups and those making limited progress in Key Stage 2 English by monitoring closely and addressing gaps by remedied interventions
- Reduction in the attainment gap between Pupil Premium pupils and Non Pupil Premium pupils by closely monitoring, tracking and intervening with all PP pupils
- Continue to embed the principles of good and outstanding teaching in order to ensure maximum progress for all pupils by sharing good practice and monitoring teaching throughout the year
- Strengthen the collaboration between teams to ensure optimum teaching and learning by giving staff time to develop and research good practice
- Developing and implementing the New Curriculum to enhance Teaching and Learning
- To raise standards of cross curricular literacy and numeracy by shared approaches with additional training for staff to ensure that this is further developed
- Develop the use of modern technologies to enhance learning by introduction of ipads and the development of a working group to oversee this initiative

Student Welfare

- Develop the Learning Support Centre to provide outstanding care and developmental opportunities for those pupils requiring further support with their progress including the deployment of targeted interventions. This was achieved by closer monitoring and management of the resource.
- Embed the promotion of spiritual, moral, social and cultural development across the curriculum by staff training and development of a new policy
- Continue to improve communication and engagement of current and prospective parents by presenting further opportunities for engagement and use of email for speedier communication of all material.

Leadership and Management

- Building links within and across the Community of Leek schools by working more closely with the Leek Education Partnership on things such as staff training eg joint Ofsted training and the new assessment

system and new curriculum for all the local schools

- Developing the roles of staff to ensure middle leadership development by encouraging shared opportunities with the Reggio grant for staff to visit Denmark with other middle school leaders. By allowing staff to develop their MAs within school and share with other middle school leadership training.
- Strengthen the collaboration between teams to ensure optimum learning and teaching by developing opportunities to work within and with other schools on curriculum development.
- Strengthen and develop the work of the governing body within the Academy to ensure rigorous monitoring using a new planning and review format and ensure that all skills requirement are addressed in training
- Support and work with CECET to develop the role of Christian education within the area by working more closely with the Diocese and other church schools to look at specific policies that apply to the school and explore the values and challenges that MAT would propose for the area. This also includes the promotion of charitable giving and the following of Christian principles in a practical way for all pupils. Pupils select their charities for each term and raise funds or lend support accordingly. The Academy may also permit the use of the premises for charitable events at no or reduced cost. Understanding of fair trade and related sales is also included in this charitable promotion of work across the Academy.

Finance and Human Resources

- Obtaining Best Value as an academy by reviewing, comparing and evaluating contracts and SLAs to ensure best practice and value for money.
- Explore independent financial initiatives with local schools to ensure best value such as the new catering contract which needed tender and comparison to obtain a new system now about to start for September 2015
- Develop the use of modern technologies to enhance learning to ensure that pupil and staff have the best possible access to software and educational practice eg the use of online testing to provide suitable national comparison for verification purposes of standards across the school.

Public benefit

The Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in defining the strategic direction of the Academy.

- The principal object and activity of the company is the operation of St Edward's C. E. Academy to advance, for the public benefit, education and well being for students of different abilities between the ages of 9-13. The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's aims and objectives.
- In accordance with the articles of association the company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum. Total charitable support for other organisations amounted to £2,440 including Children in Need, Nepal Earthquake, Red Nose Day, Fair Trade sales, Macmillan Cancer Care.

Strategic Report

Achievements and performance

The Academy has been in place since January 2013. Total students in the year ended 31 August 2015 were 746, up on the previous year end.

The effective and efficient operation of St Edward's C.E. Academy is exemplified by some aspects of the student's attainment, achievement and progression.

Learning and Teaching	
<ul style="list-style-type: none"> Progress for target groups and those making limited progress in Key Stage 2 Maths / English by monitoring closely and addressing gaps by remedied interventions Reduction in the attainment gap between Pupil Premium pupils and Non Pupil Premium pupils by closely monitoring, tracking and intervening with all PP pupils Continue to embed the principles of good and outstanding teaching in order to ensure maximum progress for all pupils by sharing good practice and monitoring teaching throughout the year Strengthen the collaboration between teams to ensure optimum teaching and learning by giving staff time to develop and research good practice Developing and implementing the New Curriculum to enhance Teaching and Learning To raise standards of cross curricular literacy and numeracy by shared approaches with additional training for staff to ensure that this is further developed Develop the use of modern technologies to enhance learning by introduction of iPads and the development of a working group to oversee this initiative 	<p>Progress was made by most of the pupils at KS2 in English with writing proving very successful for PP and non PP pupils with PP making more progress than Non PP (NB PP pupils now termed 'Disadvantaged' by the government and will be referred to as such. Progress in maths though good from baseline did not reach some target groups. Reading showed good progress and exceeded targets set.</p> <p>Teaching level shows that 95% teaching was good or outstanding. This was verified by external observations (trainee Ofsted inspectors) and both Ofsted and SIAMS inspections for 2014-2015.</p> <p>Teaching and learning group have developed several new initiatives for the Academy. Staff have worked with other schools to produce a New Curriculum that meets the needs of all learners and sits within a 0-19 framework. A new Assessment system has been designed for all 19 schools within the Leek Education Partnership to show progression and flight path development for all pupils.</p> <p>Enhanced training delivered to raise skills of staff in delivering English across the Academy supported the improvement in writing for target pupils.</p> <p>1 pad group created and new technology in evidence in lesson observations and class use.</p>

Student Welfare <ul style="list-style-type: none">• Develop the Learning Support Centre to provide outstanding care and developmental opportunities for those pupils requiring further support with their progress including the deployment of targeted interventions. This was achieved by closer monitoring and management of the resource.• Embed the promotion of spiritual, moral, social and cultural development across the curriculum by staff training and development of a new policy• Continue to improve communication and engagement of current and prospective parents by presenting further opportunities for engagement and use of email for speedier communication of all material.	<p>Pupils tracked in the centre show improvements in social and emotional responses to interventions. Parental support offered as part of feedback process. Some shifts in PASS response for pupils in the centre.</p> <p>Success of SIAMS inspection rated ' Good' overall with 'outstanding' for the Care provided for pupils.</p> <p>Large percentage of parents now contacted by email for all instances of communication. Some feedback has recently been against this but the academy will seek to maintain this on the grounds of improved sustainability. Further development of courses and opportunities for engagement to be pursued in plan for 2015-16.</p>
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Leadership and Management	
<ul style="list-style-type: none"> Building links within and across the Community of Leek schools by working more closely with the Leek Education partnership on things such as staff training eg joint Ofsted training and the new assessment system and new curriculum for all the local schools Developing the roles of staff to ensure middle leadership development by encouraging shared opportunities with the Reggio grant for staff to visit Denmark with other middle school leaders. By allowing staff to develop their MAs within school and share with other middle school leadership training. Strengthen the collaboration between teams to ensure optimum learning and teaching by developing opportunities to work within and with other schools on curriculum development. Strengthen and develop the work of the governing body within the Academy to ensure rigorous monitoring using a new planning and review format and ensure that all skills requirement are addressed in training Support and work with CECET to develop the role of Christian education within the area by working more closely with the Diocese and other church schools 	<p>Joint Ofsted training completed with other schools. Shared opportunities for using staff across schools to externally verify teaching and learning.</p> <p>6 staff able to visit and exchange visits with Danish staff and share ideas. Reports and working projects produced by staff working on MAs contribute to school development and reflection on practice.</p> <p>Work projects within LEP schools and also with other schools beyond and in other regional partnerships. One member of staff now a SLE of a Teaching Alliance partnership of which the Academy is now a member and a further member of staff working as Lead teacher for the Local Authority.</p> <p>The governing body have attended training courses this year. The Academy has hosted free training for other schools in the Academy from the Gov grant scheme. A new review and monitoring programme has been set up and a group has been initiated by the Academy for all chairs and vice chairs to meet on a regular basis with a view to sharing good practice and asking searching questions on governance.</p> <p>Exploration of the role of the Academy in linking with other schools has been ongoing. Permission was refused to join with the Leek Federation owing to the inability of the Church to accept the lack of majority church influence on the MAT Board. Alternative solutions for the future are currently being sought. Work with church school continues as part of the LEP.</p>

Financial and Human resources	
<ul style="list-style-type: none">Obtaining Best Value as an academy by reviewing, comparing and evaluating contracts and SLAs to ensure best practice and value for money.Explore independent financial initiatives with local schools to ensure best valueDevelop the use of modern technologies to enhance learning to ensure that pupils and staff have the best possible access to software and educational practice eg the use of online testing to provide suitable national comparison for verification purposes of standards across the school.	<p>There has been a reduction in the number of SLAs held with the LA, as alternative providers are sought using the best value guide. HR, Legal and auditing are now provided by different providers. Catering this year was tendered with other schools to produce best value and quality. A new caterer has won the tender from September 2015. This will be evaluated after a 3 year contact.</p> <p>Online testing has been used to provide external review of pupils progress and baseline on entry. This will be applied to exit data for this year. Online use of PASS had allowed the monitoring and review of practice within the LSC in the school and has also been used extensively to supply information for pupils who are on LAC plans and also for the Social Services in the review of pupils over periods of time to assess shifts in both attitude and self esteem.</p>

Key Performance Indicators

The Academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence. The Ofsted for 2014 was reported in the last accounting period report. The outcome was good with:

Overall effectiveness: how good is the school – Grade 2

Leadership and Management	Good
Quality of Teaching	Good
Behaviour and Safety	Good
Achievement of Pupils	Good

By the time they leave, pupils' achievement in reading, writing and mathematics is increasingly good. In the past eighteen months, there has been rapid improvement in pupils' progress in all three subjects.

- Teaching is good and continues to improve. Teachers have high expectations and use their good subject knowledge to plan work that quickly engages pupils in their learning.
- Teachers' use of assessment to plan teaching is increasingly secure. The school is making good progress in revising its approach to assessment in the light of the recent changes to the national curriculum.
- Disabled pupils and those who have special educational needs get good support from well-qualified teaching assistants and, as a result, make good progress.
- Pupils behave well and have positive attitudes to learning. Pupils show high levels of respect to staff and to each other throughout the school.

Pupils say they enjoy coming to school, feel safe and well cared for, and are proud of their school.

The curriculum is carefully planned to stimulate pupils' interest and ensure they are keen to learn. Pupils' spiritual, moral, social and cultural development is exceptionally well supported through well-planned assemblies, lesson activities, educational trips and visits, and many after-school clubs and activities.

The Principal has high aspirations for the school and provides strong leadership. She has introduced changes which have improved the quality of teaching and raised pupils' achievement. She is well supported by all of the staff, who share her commitment to improve standards.

Trustees know the school well. They work effectively as a team and increasingly hold senior leaders to account for the quality of the school's performance.

Two areas were identified as needed for outstanding :

- Teachers do not always set work that is at the right level of difficulty, given the sometimes marked differences in pupils' ability in each class. This occasionally restricts the achievement of the least- and most-able pupils.

Marking is not always thorough or detailed enough to help pupils improve their work and achieve consistently good standards in all subjects.

These are being addressed within the School Development Plan for this current and future year. As changes are being made to National Assessment the Academy is working on this with all other local schools to create a 0-19 benchmarking and progression through the system for all pupils.

In addition this year the school has received a SIAMS inspection in line with the Church requirements. The Academy was found to be good overall but the Academy was awarded outstanding for the care of the pupils within this context:

'careful tracking all help to ensure pupils are making good progress and gaps in the achievement of different groups are narrowed. Those who use it and those who do not all value the learning support centre for how it helps with a wide range of issues. These include learning and emotional challenges as well as transition arrangements for pupils who arrive in school other than at the start of Year 5. The importance of aspiration expressed in 'be everything we can be' is additionally exemplified in the 'tons of choices' and opportunities for participation and 'making a contribution' pupils recognise the academy provides for them. Sport, for example, is seen as very important in helping pupils learn to work in teams and cope with success and disappointment. For these reasons, through the structures that encourage it, everyone is involved in sport to some degree. Similarly, everyone learns to play chess in year 5 as part of the maths curriculum and this then enables some pupils to excel in this area, achieving success in competitions at both under 11 and under 19 levels. Pupils also appreciate the opportunities they have to learn languages and extend their understanding of the world through the school's international links. They learn about democracy through an effective school council and appreciate how it influences the life of the academy. Through their learning in RE pupils develop a good understanding of and respect for religious diversity. The belief that God values everyone is demonstrated in the culture of praise and celebration of all sorts of successes which everyone enjoys, meeting all the needs of all learners'

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Staff Cover is reduced from last year with an improved attendance for staff. Attendance for pupils this year is 96.27% last year the figure was 96.1% previous year 94.45% .This shows an improving trend. Exclusions involved 8 pupils, lower than last year, one of whom has now received an EHCP as a result and fulltime educational support.

Year 5 and 6 this year continues to be oversubscribed with a waiting list. The incoming year 4 is slightly lower but the potential numbers for the following Year look set to rise in succession. Over time the Academy has remained within budget and used the resources to support improvements to the building. A further attempt to gain a grant for the renewal of a roof was successful and there has also been lab refurbishment owing to saved money reinvestment and bequest.

Attainment of pupils on entry is broadly above average according to national figures at KS1, during their time at the school pupils make good progress from their baseline test. The proportions making and exceeding the expected number of points is good. Pupils complete the shortened KS3 so three years are contained within two. Results in Year 8 (KS 3) compare favourably with pupils in Year 9 and will exceed national for Yr 9 in maths and science at Level 5 and 6. English has improved this year with 91% achieving level 5 + and 48%, these figures exceed the 2013 figures for middle schools benchmarking and last national levels. Maths Level 5 + and Level 7 + also exceeds Year 9 figures with Level 6 + equalling the Year 9 results from 2014. Science at 98.8% Level 5 + and Level 6+ 74.8% also exceeds middle school benchmarking for 2013.

KS 3 Results 2015 St Edward's Academy

	English Nat (2014) Yr 9	English School 2015 (Yr 8)	Maths Nat (2014) Yr 9	Maths School Yr 8 2015
Level 5 +	86%	91%	87%	87%
Level 6 +	55%	48%	62%	62%
Level 7 +	17%	10%	32%	42.5%

- 2015 KS2 results in English and Maths showed English staying the same at 89% for Reading, this was a good result as this year group were weaker than last year and the second weakest in average point scores received in the last 6 years of recording point score entry. In more detail, boys exceed level 4 + national level comparison for 2014 by 5% and girls just 1% above. The spelling punctuation grammar results showed the Academy improving on last year at Level 4 and 5 for all pupils and boys ahead at level 5 by 2% and girls also ahead by 2% despite the weaker cohort. The maths showed a slight decrease this year with 81% obtaining level 4 +. As stated previously these cohorts, despite receiving extra resources, were unable to match last year's results and the percentage of level 6 was also down. Pupils made good progress from their baseline at KS2 with 8 points progress. There is little difference between girls and boys although girls are slightly weaker at maths. Pupils receiving additional needs support made good progress in reading. KS 2 results English Level 4+ 86% Level 5 36% . Maths have attained Level 4 + 81% and Level 5 + 32%. In addition, 4% of Year 6 pupils obtained Level 6 + in the additional exam. One pupil obtained Level 6 in all exams for the first time ever. Science obtained level 4 + 97% and Level 5 73%. These results in maths and English exceed the 2015 floor standard of 65%. The percentage obtaining reading, writing and maths combined is 74.1%. Points progress analysis shows that most sub groups make good progress with Disadvantaged pupils making over 8 points progress in 2 years in both maths and writing from their point of entry. 97% of disadvantaged pupils made 2 levels progress in writing which exceed non disadvantaged. This was also true for 3 levels of progress where 18% of disadvantaged made 3 levels while the non-disadvantaged figure was 13%. For Reading 2 levels of progress for the disadvantaged was less but the 3 levels of progress exceeded the non-disadvantaged yet again. Pupils with additional needs 46/193 make good points progress in Reading and writing, owing to the good support provided by in school support.

To ensure that standards are continually raised the Academy operates a programme of observation of lessons and Learning walks; conducts Departmental Reviews and Work Scrutiny; is visited by inspectors and staff from other schools; undertakes a comparison of results from Year 5 to Year 8 with external moderation of entry and exit exams for English and Maths. This year pupils in Year 5 have received additional online external testing to

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Trustees' Report (continued)
For the year ended 31 August 2015

create an externally moderated baseline. Moderation of work also takes place across the LEP partnership of schools and additionally this year a new whole regional assessment scheme is being developed in conjunction with all schools to ensure quality and progression from 0-19. This begins in September 2015 and has been under preparation and negotiation throughout the year.

The Academy has maintained the International Schools Award full status, holding this for the third period of succession. The Academy won wide acclaim with our year 8 pupils; the Staffordshire Schools Year 8 Football championships, Year 8 League Football Champions for Staffordshire, Year 8 Staffordshire Rugby Championship, and Year 8 County Hockey championships. Pupils also made it through to the fourth round of the Sports Magazine Rugby cup, normally a success reserved for private schools. Year 8 boys were the County champions at the indoor Winter athletics games held at Fenton Manor. They were also Cross Country Team County winners for Yr 8 & 9.

St Edward's were the 6th best school in England for the u 19 girl's chess. The ECF have only been running the tournament for 3 years and we are one of only two schools to have been represented in the finals in 3 years. The U11 team were Derbyshire Open chess champions June 2015. Year 7 and Year 8 girls both achieved Netball Champions of District League. Pupils represented North Staffordshire at the Ryman Enterprise Challenge held in Alton Towers for schools across the Country. Maths Challenge team won through to the Maths Finals held on London. The academy came 3rd in the Salter Chemistry Festival held at Keele University and won the STEM challenge Day also at Keele University. The public speaking team reached the Rotary National semi-final for the west of England of the Rotary public speaking contest. They reached the Regional final of the Rotary Young Chef Competition.

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.

The Academy is also monitored through the completion and submission of returns to the EFA:

- Whole of Government accounts
- The Financial Plan for the period 2014 to 2015 to the EFA.
- The annual Financial Management and Governance Evaluation
- Health Audit Check

Financial review

The Academy's financial objectives are:

- to achieve an annual operating surplus
- to pursue alternative sources of funding, on a selective basis, consistent with the Academy's core competencies, and the need for a financial contribution to the Academy's overall finances
- to generate sufficient levels of income to support the asset base of the Academy
- to further improve the Academy's shorter term liquidity
- to fund continued capital investment.

These objectives were achieved in the year ending 31 August 2015.

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of

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Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2015, total expenditure of £3,202,801 was covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £108,686.

At 31 August 2015 the net book value of fixed assets was £1,354,662 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

The changes to the pension liability for Local government workers continues to reduce risk to the Academy but changes to the funding of the insurance system for pooling were not taken up until the success of this new scheme can be evaluated by the Academy and the level of risk assessed. This remains the same situation currently.

Pupil numbers this year are below plan for the entry year group as stated last year but projected figures for the future are good. Currently both Year 6 and 7 are oversubscribed with waiting lists.

Expenditure continues to support the enhancing of the ratios of staff to pupils in order to support better progress in Maths and English. The success of this continues to support the progress of the much weaker cohort of 2014-15 for KS2 SATS. Although this was targeted to Pupil premium pupils all pupils have benefited. The key objectives are to raise the outcomes for all pupils and in particular those pupils with emotional and social issues and sub groups identified by the Academy. Spending money on the Learning Support Centre has supported this aim to further reduce the number of pupils excluded and to provide a quicker and easier contact point for pupils and parents. The centre has supported the integration of pupils from other schools who may have been facing difficulties as they reintegrate into mainstream. The centre also has an area for self-reflection by the pupils. This is of value in supporting the individual progress of pupils and the support for those in other classes who may benefit as a consequence. Parents have acknowledged the value of the centre in the integration of pupils from difficult circumstances and also for those with Additional Needs. This current year we have had higher pupil numbers than the previous year using the centre.

Capital projects this year have included the replacement of the large flat roof area on the main building and along by the gym and hall. This also included new windows for this area. A grant from the CIF was obtained for £50,000 to support the money given by the Academy. Financial efficiencies have had to be made with regard to the large reduction in the ESG that the academy receives (£140 reduced to £87). Further capital work has been carried out on the Science lab as this was unsafe in its present format and required two members of staff for any practical work owing to sight for staff with all pupils. Funds for this were found from savings last year and the will proceeds gifted to the Academy by a former Trustee and Headteacher.

The changed Lettings policy has continued to secure a better income from lettings of the buildings this year. Income from letting has increased from £9,563 to £10,761.

Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees have determined that the appropriate level of free reserves should be, approximately £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £312,345 which is for future planned projects. One project may involve the enhancement of the internal quad to create a more creative and adaptable learning space. The Academy intends to continue building up free reserves to the level needed to undertake building development and refurbishment but this may not be possible given the

possible reduction in income notified by the EFA for 2016-2017. A cautious approach has been adopted owing to the need for monies for potential contingent liabilities. The intention next year is to seek additional funding through outside grant agencies to try and further develop streams of income.

Investment policy

Investments are made in compliance with the Academy's Investment Policy. The Governors seek to invest surplus funds in a manner to obtain the best possible return and these are invested with reputable and ethical investors. The aim of the Investment Policy is to maximise returns in order to increase the resources available to our staff so that we can achieve our aim of increasing academic standards.

Principal risks and uncertainties

The Academy continues to undertake further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation. 5 audits in the year compare very favourably with neighbouring local authority schools where one audit occurs once every 3 years. This is a 15:1 ratio.

The Trustees and Senior Leadership Team undertake a termly comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Trustees and Senior Leadership Team will also consider any risks which may arise as a result of any new area of work being undertaken by the Academy or changes to existing operating systems.

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

The current processes and responsibilities for risk management in St Edward's C. E. Academy can be summarised as:

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

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

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

The objectives for managing risk across St Edward's Academy are:

- To comply with risk management best practice, including the Turnbull guidelines
- To ensure risks facing the Academy are identified and appropriately documented
- To provide assurance to the Governing Body that risks are being adequately controlled, or identify areas for improvement
- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks

The Academy's Risk Management strategy aims to:

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

The Principal has overall responsibility for risk management. The Business Manager and Principal have lead responsibility for risk management processes and the Academy-wide Risk Register. This responsibility includes:

- Monitoring the performance of risk management processes
- Ensuring that appropriate controls are in place to manage identified risks
- Undertaking training to further the understanding of some of these risks
- Preparation of periodic reports to the Strategy & Development Committee and the Full Governing Body.

The Risk Register is formally reviewed regularly by the School Business Manager and the Principal. A Risk Management Plan is submitted yearly to the Strategy & Development Committee. The Risk Management Plan is monitored by the Strategy & Development Committee and forms part of that Committee's report to the Full Governing Body. An additional Fraud checklist has been added this year to increase the robustness and tighten the rigour of control within the Academy.

Our approach to risk management is linked to the Academy's strategic aims and objectives. These have been set and agreed with the Full Governing Body and can be summarised, in our context, as:

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

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

The St Edward's Academy Intervention Strategy is compiled within the compass of the 'risk cycle' as identified within the Risk Register.

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

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

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

We recognise that an element of risk (innovation) is good for the further development of the institution but

understand that the risk needs to be properly controlled and regulated. In simple terms, expressing ORA is a question of defining what is acceptable to The Academy and what is not. This will be achieved within both the Risk Management and Intervention Strategies by deciding, for each type of risk, what is acceptable, what is unacceptable, and the parameters of the area between those two i.e. what is tolerable.

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

Quantitative Measures – income, expenditure, student numbers

Qualitative Measures – reputation, press relations, management effort

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

From the perspective of St Edward's C.E. Academy as a business there are a number of benefits to be accrued by defining ORA and our intervention strategies as this will:

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

1. Government funding

The Academy has considerable reliance on continued government funding through the EFA. In 2014-2015, 96% of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue with all funding from this source. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The Academy tried to obtain a grant from the ACMF and was successful this year.

This risk is mitigated in a number of ways:

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

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS 17. This has reduced risk since the government directive to support the pooling of risk with Local Authorities for the Academy.

Risk management

A SWOT analysis has been carried out by the leadership team along with the Risk compliance audit by the Business Manager and Principal. Strategies have been identified to control and manage risks to the Academy.

The Academy have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (eg teaching, health and safety and in relation to the control of finance). Strategies have been identified to control and manage risk and where significant risk still remains, adequate insurance cover is in place. The Academy has an effective system of internal financial control and this is explained in more detail in the Financial and Risk management objectives and policies statement.

The focus and understanding of risk lies with the Risk Register. This itemises the level of risk for Strategic and Reputational Risk, Operational Risk, Compliance Risk and Financial Risk. Review of these risks takes place at regular intervals or adapts to changing circumstances. Changing patterns of government finance towards all schools and middle schools in particular has been closely monitored with submissions to Forum and DFE consultations on changing patterns of funding and changes to admission procedures. The Academy also takes an active part in the Staffordshire Middle School Heads and the National Middle Schools Forum to keep updated and submit views to the key funding bodies. The Academy has chosen to maintain a calculated balance of reserves to mitigate any future sudden change in funding.

The Academy has looked at projected numbers for the next two years and based on current provision falling numbers are unlikely but this is constantly under review and forms part of cautious budget planning. The risk of inherited pension deficit for local government workers remains a significant financial risk but this has been offset by the government's direction to local authorities. The government have provided a guarantee that the Department of Education will meet any pension liabilities should an academy close. The risk assessment has therefore meant a more equitable rate from the administering authorities. (Michael Gove July 4th 2013 statement to Parliament). In addition a consultation by the DCLG will take place with a view to academies potentially pooling liabilities. We await the outcome of this review.

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Related Parties and other Connected Charities and Organisations

St Edward's C. E. Academy operates working with several groups. Firstly it is part of the Leek Education Partnership a partnership of 19 schools who share a collaboration agreement to work together for the benefit of all to further the education within the district.

St Edward's C. E First, Cheddleton
Westwood First School, Leek
Woodcroft First School, Leek
All Saint's CE (VA) First School, Leek
Leek County First School, Leek
Beresford Memorial CE (VA) First School, Leek
Leek High School
Westwood College
Churnet View Middle School
Waterhouses CE (C) Primary
Blackshaw Moor (CE) VA First School
Rushton (CE) C Primary School
St John's CE (C) Primary School
St Michael's CE (C) First School
St Batholomew's First School
Blackshaw Moor CE School
Hollinsclough C of E Primary School
Springfield Community Special School
The Meadows

The object of the Collaboration is to enhance the quality of outcomes for the students within our schools, and of the wider community, by working together to:

- Improve teaching and learning
- Provide better quality training opportunities for all staff
- Improve outcomes for young people, in Leek and the surrounding area, by offering a full range of learning opportunities across the 3 – 19 age range. There will be the chance to develop cross – phase curricular developments and address personalisation, to enhance the quality of teaching and learning, for example, work with Able Learners and Special Needs students
- Address more effectively issues relating to families and communities, for example, work with vulnerable families and inclusion
- Tackle issues relating to attainment more effectively across the pyramid by, for example, reducing underachievement
- Examine the potential to offer joint appointments across the schools
- Achieve economies of scale in purchasing policy for example, catering procurement, ICT technical support, administrative supplies, maintenance work
- Achieve savings in planning and administrative time, and developing the potential for administrative staff who can work with each school
- Enhance strategic planning across all phases
- Seek to develop a shared sense of identity and a common sense of purpose
- Build capacity across all phases
- Join together to access extended services
- Improve further the transition of students between phases

Plans for future periods

The Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students receive any support they need for the next stage of their education. The current year plan includes linking further with other schools to ensure best provision and continuity of education and limitation of costs within the local area. The Academy will also attempt to increase its recruitment up to the PAN (Pupil Admission Number), accepting transfers from other schools and Academies into all years where possible. The Academy continues to aim to provide the opportunity for local groups to use our facilities as a community resource. To achieve this we have drawn up a review of lettings based on an identification and analysis of need. Success will be measured by an increase in income in this area. This year has shown an upwards trend we continue to support the prestige of the Academy eg for the Chess Regional and National Tournaments. In addition, charitable use of the premises has been used to promote the good reputation of the Academy and support local charities.

The plan's aim is to establish ways to benefit the wider community (from links with mainly local secondary and primary schools) and direct access to the Academy's facilities, curricular materials and the expertise of Academy staff. The Academy will look at ways of bringing links closer with the surrounding schools. Shared new assessment procedures will bring schools closer together and shared training and programmes to support this will improve networking and shared development for all staff and pupils. The Academy will seek to renegotiate its collaboration with the potential new Academy Trust of the Leek Federation. The current collaboration will continue until then.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held as custodian on behalf of others.

Employee involvement and employment of the disabled

The Academy is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy will be resourced, implemented and monitored on a planned basis.

The Academy's Equality Statement is published on its website and is reviewed each year.

The Academy considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Academy continues. The Academy's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. An equalities plan is published each year and monitored by Senior Leaders and Governors.

The Academy seeks to achieve the objectives set down in the Equality Act 2010 and the relevant parts of the Disability Discrimination Act 1995 as amended by the Special Education Needs and Disability Acts of 2001 and 2005. As part of its Asset Management Plan the Academy updates its access audit. A Lift, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all areas. Any new buildings will be fully compliant with all access legislation. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development. Compliance with the recent increased rigour in legislation is evidenced in the Medical Conditions Policy September 2014 and the Academy Local Offer for SEN.

a) The Academy has provided information, advice and arranged support where necessary for students with disabilities.

b) There is a list of specialist equipment which the Academy can make available or obtain for use by students and a range of assistive technology is available if required.

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c)The admissions policy for all students is described in the Academy charter and on the website. Appeals against a decision not to offer a place are dealt with under the terms of the policy and referred to an independent panel.

e)The Academy has made a significant investment in the appointment of specialist teachers to support students with learning difficulties and/or disabilities. There are a number of Learning Support Assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities. A centre is still being developed to support students with more additional needs for both learning and emotional support. Further resources have been targeted towards this centre.

f)Counselling and welfare services are available for referral both inside and out of the Academy with the Academy retaining an SLA with the LST for the local area.

The St Edward's Academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the St Edward's Academy's Equal opportunities policy, the St Edward's Academy has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

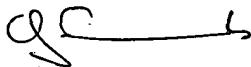
Full details of these policies are available from the St Edward's Academy's offices.

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

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

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 8/12/15 and signed on the board's behalf by:



Mrs C Simmonds
Chair of Trustees



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Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Edward's Church Of England Academy Trust, Leek 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 Trustees' responsibilities statement. 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
Mr J Morton, Chair of Trustees (until September 2015)	5	5
Rev L Price	4	5
Rev N Irons	3	5
Mrs E Clarke, Principal and Accounting Officer	5	5
Mr C Abell, Staff Trustee	3	5
Mrs R Bell	4	5
Mrs M Collier, Staff Trustee	4	5
Mrs H De Gale	2	4
Mrs C Hall	4	5
Mrs P Handforth, Staff Trustee	3	5
Mr C Hesketh	4	5
Mr K Hollins	1	3
Dr G Lewis	5	5
Mr F Murray	1	5
Mrs D Potts	4	5
Miss E Priestman	4	5
Mr G Torr	3	5
Mrs B Tunncliffe	4	5
Mrs C Simmonds, Responsible Officer and Chair of Trustees (from September 2015)	5	5

Governance reviews:

There have been changes to the governors since Sept 2014. Two governors have resigned. There have been no major challenges for the Board. The bid for this year for the CIF was successful. The new Ofsted criteria have been met by the governors with a 'They work effectively as a team and increasingly hold senior leaders to account for the quality of the school's performance.' The governors have sought to increase their engagement with parents by the clear contact via the website and also through attendance at all parental events within the life of the school.

Ofsted, an external body, reviewed documentation from the governors during the inspection. Extract from the report relating to governance:

'Governors are proud of the school and are committed to providing the best possible education for the pupils who attend. They are clear about the school's strengths and weaknesses and visit it regularly to get first-hand information about the quality of teaching and pupils' progress. They take part in learning walks, interview staff and pupils, look at pupils' work and gain parents' views through speaking to them and using questionnaires.

Governance Statement (continued)

They have taken part in extensive training, including on safeguarding and safer recruitment procedures. They are very aware of their role in ensuring the health and safety of pupils in school, including the requirements to promote British values of tolerance and respect.

- Governors have a good understanding of what published data says about the school's performance and receive regular updates on pupils' progress from the presentations from the Principal and other senior staff. They know how the pupil premium and sports funding are being spent and the difference they are making.
- Governors oversee the systems for managing staff performance well. They set exacting targets for the Principal and senior staff, and make sure that salary increases are linked to staff meeting targets.
- Governors monitor finances closely to ensure that the school gets best value when purchasing goods and services.

The coming year will see the governors conducting a further review with the support of an external provider to assess the functions and role of governors and working with the Academy leadership team.

The Finance and HR Committee is a sub-committee of the main board of trustees. Its main aim is to ensure the efficient financial direction of the Academy. Issues dealt with this year have included application for a capital grant, the review of the appraisal system of staff and implementation of pay policy, changes to staffing. The Finance and HR Committee serves as the audit committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr C Hesketh	3	5
Mrs E Clarke, Principal and Accounting Officer	5	5
Mr F Murray	3	5
Mr G Torr	4	5
Rev N Irons	2	5
Mr C Abell, Staff Trustee	5	5
Mr J Morton, Chair of Trustees	4	5
Mrs B Tunnicliff	3	5

Review of Value for Money

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

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

- Challenge - the school performance, services provided and take into account the views of the parents
- Compare - how does performance compare with other schools both financially and academically
- Consult - how does the school seek the views of the stakeholders regarding the provision of services
- Compete - how does the academy secure efficient and effective service for both quality and cost

The governors will apply best value for decisions when considering:

- The allocation of resources to best promote the aims and values of the academy
- The targeting of resources to best improve standards and quality of provision
- The use of resources to best support the various educational needs of all pupils

Governance Statement (continued)

Financial governance and oversight

The Academy's Governing Body has strong oversight of the financial management of the budget.

The review of systems over the year has been informed by:

- The work of the external auditor
- The work of the Entrust Joint Finance Unit
- The work of the audit committee
- The work of senior leaders within the Academy trust who have responsibility for the development and maintenance of the internal controls

The systems of internal financial control are based on a framework of regular information and procedures involving segregation of duties, system of delegation and accountability, challenge and rigour in decision making through the governing body.

These methods include:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors and annually by the trustees
- Regular reviews by the Finance Committee of budgetary reports which indicate financial performance against forecasts and purchasing plans, capital works and expenditure programmes
- Clearly defined purchasing policies and procedures
- Identification and management of risks

Specific examples of value for money changes include:

- Focus on use of technology for PASS pupils attitude to self and school : this has allowed efficient targeting of pupils on support programmes to improve their learning outcomes and social and emotional wellbeing with the ability to measure the outcomes for these programmes. This has reduced the need to purchase external services.
- The promotion of middle leaders to develop their support for others has brought additional income to the Academy. SLE for maths has generated both new ideas and supported the Academy through networking but also has earned additional income for the Academy. Money earned has been spent on additional educational resources.
- The work with MMU with trainee teacher has generated income and also valuable new ideas and learning for both new students and existing staff. Existing staff have benefitted personally from self development and sharing with university tutors.
- Better purchasing; shared tendering for contracts with other schools has resulted in a process which the single academy could not have matched in obtaining both value for all the Academy and the other schools. This has been achieved with catering and also is ongoing with grounds.
- Shared payment for technology assistance has supported our creation within the 17 schools of the New assessment system. This would not have been achieved without our link with the LEP and therefore has led to development that would not have been possible without our shared economies of scale. This will also lead to a shared system that parents within the area should be able to follow and track.
- Support for training given to a member of staff to train as a Dyslexic teacher. This will reduce any further costs for testing and requirement for contribution to specialist teaching elsewhere. The Academy has already been able to sell the services of this teacher to another school to support their need for dyslexic teaching.
- The Academy continues to generate income from the use of solar panels and lettings.
- Use of new NQT provider to provide better service and greater value for money, was successful.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 St Edward's Church Of England Academy Trust, Leek for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy'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 HR Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Dains LLP, the external auditors, to perform additional checks.

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

- Payroll checks
- Purchases checks
- Accounting system checks

On a termly basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The external auditors have delivered their schedule of work as planned, and no material control issues have been identified.

Governance Statement (continued)

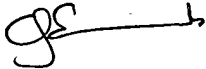
Review of Effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance & HR Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 8 December 2015 and signed on its behalf, by:



Mrs C Simmonds
Chair of Trustees



Mrs E Clarke
Accounting Officer

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of St Edward's Church Of England Academy Trust, Leek I have considered my responsibility to notify the academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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.



Mrs E Clarke
Accounting Officer

Date: 08 December 2015

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Trustees' Responsibilities Statement
For the year ended 31 August 2015

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

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

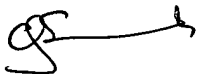
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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



Mrs C Simmonds
Chair of Trustees



Date: 8/12/2015

**St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)**

Independent Auditors' Report to the Members of St Edward's Church Of England Academy Trust, Leek

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

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

Respective responsibilities of Trustees and auditors

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

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

Scope of the audit of the financial statements

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's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

**St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)**

Independent Auditors' Report to the Members of St Edward's Church Of England Academy Trust, Leek

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.



Jonathan Dudley (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date: 8 December 2015

**St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)**

Independent Reporting Accountants' Assurance Report on Regularity to St Edward's Church Of England Academy Trust, Leek and the Education Funding Agency

In accordance with the terms of our engagement letter dated 8 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Edward's Church Of England Academy Trust, Leek during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Edward's Church Of England Academy Trust, Leek's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Edward's Church Of England Academy Trust, Leek's funding agreement with the Secretary of State for Education dated 21 December 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

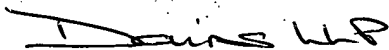
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

**St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)**

Independent Reporting Accountants' Assurance Report on Regularity to St Edward's Church Of England Academy Trust, Leek and the Education Funding Agency (continued)

Conclusion

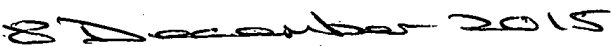
In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform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



Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date:  8 December 2015

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Statement of Financial Activities
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
For the year ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	69,633	2,902	-	72,535	10,801
Activities for generating funds	3	56,841	1,437	-	58,278	76,917
Investment income	4	896	-	-	896	766
Incoming resources from charitable activities	5	-	3,212,754	65,725	3,278,479	3,124,833
Total incoming resources		127,370	3,217,093	65,725	3,410,188	3,213,317
Resources expended						
Costs of generating funds:						
Fundraising expenses and other costs	6	1,992	-	-	1,992	2,137
Charitable activities	7	44,828	3,098,128	48,325	3,191,281	3,052,421
Governance costs	8	-	9,528	-	9,528	11,568
Total resources expended	6	46,820	3,107,656	48,325	3,202,801	3,066,126
Net incoming resources before transfers		80,550	109,437	17,400	207,387	147,191
Transfers between Funds	16	(65,141)	(24,160)	89,301	-	-
Net income/(expenditure) for the year		15,409	85,277	106,701	207,387	147,191
Actuarial gains and losses on defined benefit pension schemes		-	8,000	-	8,000	(311,000)
Net movement in funds for the year		15,409	93,277	106,701	215,387	(163,809)
Total funds at 1 September 2014		296,936	(875,867)	1,272,946	694,015	857,824
Total funds at 31 August 2015		312,345	(782,590)	1,379,647	909,402	694,015

All activities relate to continuing operations.

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

The notes on pages 37 to 57 form part of these financial statements.

St Edward's Church Of England Academy Trust, Leek

(A company limited by guarantee)

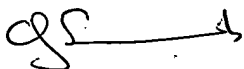
Registered number: 08316327

Balance Sheet

As at 31 August 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	13		1,354,662		1,254,667
Current assets					
Debtors	14	147,892		142,094	
Cash at bank and in hand		910,763		727,431	
		<u>1,058,655</u>		<u>869,525</u>	
Creditors: amounts falling due within one year	15	(298,915)		(294,177)	
Net current assets			<u>759,740</u>		<u>575,348</u>
Total assets less current liabilities			<u>2,114,402</u>		<u>1,830,015</u>
Defined benefit pension scheme liability	21	(1,205,000)		(1,136,000)	
Net assets including pension scheme liability			<u><u>909,402</u></u>		<u><u>694,015</u></u>
Funds of the academy					
Restricted funds:					
Restricted funds	16	422,410		260,133	
Restricted fixed asset funds	16	1,379,647		1,272,946	
Restricted funds excluding pension liability		<u>1,802,057</u>		<u>1,533,079</u>	
Pension reserve		<u>(1,205,000)</u>		<u>(1,136,000)</u>	
Total restricted funds			<u>597,057</u>		<u>397,079</u>
Unrestricted funds	16		<u>312,345</u>		<u>296,936</u>
Total funds			<u><u>909,402</u></u>		<u><u>694,015</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 8/12/2015 and are signed on their behalf, by:



Mrs C Simmonds
Chair Of Trustees



The notes on pages 37 to 57 form part of these financial statements.

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Cash Flow Statement
For the year ended 31 August 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	18	265,032	208,096
Returns on investments and servicing of finance	19	896	766
Capital expenditure and financial investment	19	(82,596)	(52,360)
Increase in cash in the year		183,332	156,502

Reconciliation of Net Cash Flow to Movement in Net Funds
For the year ended 31 August 2015

	2015 £	2014 £
Increase in cash in the year	183,332	156,502
Movement in net funds in the year	183,332	156,502
Net funds at 1 September 2014	727,431	570,929
Net funds at 31 August 2015	910,763	727,431

The notes on pages 37 to 57 form part of these financial statements.

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 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 to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the academy being notified of an impending distribution or the legacy being received.

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

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

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

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1. Accounting Policies (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

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

Leasehold land	-	Over the term of the lease
Building improvements	-	10% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

1. Accounting Policies (continued)

The academy trust company occupies:

- (a) land provided to it by the Local Authority under a 125-year lease;
- (b) land provided to it by site trustees under a mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

In respect of;

- (a) a figure is entered that reflects advice taken on the value of the lease;
- (b) Having considered the fact that the academy trust company occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company

1.6 Operating leases

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

1.7 Taxation

The academy 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 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.

1.8 Pensions

Retirement benefits to employees of the academy 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.

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 21, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2015

1. Accounting Policies (continued)

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

1.9 Fund accounting

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

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

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

2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	6,993	2,902	9,895	10,801
Legacies	62,640	-	62,640	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	69,633	2,902	72,535	10,801
	<hr/>	<hr/>	<hr/>	<hr/>

3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	10,761	-	10,761	9,563
Catering surplus	23	-	23	-
Solar panel income	15,552	-	15,552	7,842
Sale of other goods and services	5,770	-	5,770	10,616
Staff insurance income	24,296	-	24,296	48,896
Staff services income	439	1,437	1,876	-
	<hr/>	<hr/>	<hr/>	<hr/>
	56,841	1,437	58,278	76,917
	<hr/>	<hr/>	<hr/>	<hr/>

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2015

4. Charity trading income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	896	-	896	766

5. Funding for Academy's educational operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General annual grant	-	2,878,823	2,878,823	2,823,259
Pupil Premium	-	145,737	145,737	112,382
PE teaching grant	-	9,805	9,805	9,740
Capital grant	-	65,725	65,725	22,840
Y7 Catch up grant	-	13,501	13,501	21,500
	-	3,113,591	3,113,591	2,989,721
Other government grants				
Special educational needs	-	20,191	20,191	33,366
LA pupil premium	-	6,800	6,800	-
	-	26,991	26,991	33,366
Other income				
Music tuition fees, revision guides and other	-	5,347	5,347	5,911
Trip income	-	111,884	111,884	76,311
Outdoor Education income	-	20,666	20,666	19,526
	-	137,897	137,897	101,748
	-	3,278,479	3,278,479	3,124,835

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2015

6. Resources expended

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Fundraising expenses	-	-	1,992	1,992	2,137
Costs of generating funds	-	-	1,992	1,992	2,137
Direct costs	2,231,758	-	228,184	2,459,942	2,335,029
Support costs	250,797	191,553	288,989	731,339	717,392
Charitable activities	2,482,555	191,553	517,173	3,191,281	3,052,421
Governance	-	-	9,528	9,528	11,568
	2,482,555	191,553	528,693	3,202,801	3,066,126

St Edward's Church Of England Academy Trust, Leek
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2015

7. Charitable activities

	Total funds 2015 £	Total funds 2014 £
Direct costs - educational operations		
Wages and salaries	1,788,664	1,737,094
National insurance	133,972	130,400
Pension cost	309,122	277,205
Educational supplies	69,620	63,800
Staff development	13,348	9,330
Pupil transport	11,887	6,764
Educational trips	133,329	110,436
	<u>2,459,942</u>	<u>2,335,029</u>
Support costs - educational operations		
Wages and salaries	211,989	203,380
National insurance	8,988	8,535
Pension cost	29,820	27,672
Depreciation	48,325	32,005
LGPS finance cost	31,000	28,000
Professional services	57,887	47,505
Recruitment and support	1,334	3,344
Maintenance of premises and equipment	72,197	69,628
Cleaning	64,416	61,363
Printing, stationery and postage	11,571	10,752
Rates	10,742	18,954
Water rates	7,220	6,626
Energy	46,184	44,707
Insurance	66,533	89,101
Technology	2,696	4,300
Other support costs	42,304	45,163
Catering	18,133	16,357
	<u>731,339</u>	<u>717,392</u>
	<u><u>3,191,281</u></u>	<u><u>3,052,421</u></u>

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8. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	6,230	6,230	5,975
Auditors' non audit costs	-	2,065	2,065	2,300
Legal and professional fees	-	1,233	1,233	3,000
Other governance costs	-	-	-	293
	-	9,528	9,528	11,568

9. Net incoming resources

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	48,327	32,005
Auditors' remuneration	6,230	5,975
Auditor's remuneration - non-audit	2,065	2,300
Operating leases	4,311	8,670

10. Staff

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,957,964	1,903,971
Social security costs	142,960	138,935
Other pension costs (Note 21)	338,942	304,877
	2,439,866	2,347,783
Supply teacher costs	42,689	36,502
	2,482,555	2,384,285

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10. Staff (continued)

b. Staff numbers

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

	2015	2014
	No.	No.
Teaching	33	31
Support staff	26	25
Management	6	6
	<hr/>	<hr/>
	65	62
	<hr/>	<hr/>

c. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2015	2014
	No.	No.
£70,001 - £80,000	1	1
	<hr/>	<hr/>

The above employee participated in the Teacher's Pension Scheme (TPS).

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Notes to the Financial Statements
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11. Trustees' remuneration and expenses

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

	2015 £	2014 £
Remuneration Mrs E Clarke, Principal	70,000-75,000	70,000-75,000
Employer's pension contributions Mrs E Clarke, Principal	10,000-15,000	10,000-15,000
Remuneration Mrs P Handforth, Staff Trustee	40,000-45,000	40,000-45,000
Employer's pension contributions Mrs P Handforth, Staff Trustee	5,000-10,000	5,000-10,000
Remuneration Mr C Abell, Staff Trustee	40,000-45,000	35,000-40,000
Employer's pension contributions Mr C Abell, Staff Trustee	5,000-10,000	5,000-10,000
Remuneration Mrs M Collier, Staff Trustee	15,000-20,000	15,000-20,000
Employer's pension contributions Mrs M Collier, Staff Trustee	0-5,000	0-5,000

During the year, no Trustees received any benefits in kind (2014 - £NIL).

During the year, no Trustees received any reimbursement of expenses in their role as Trustees (2014 - £NIL).

12. 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 2015 was £905 (2014 - £905). The cost of this insurance is included in the total insurance cost.

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13. Tangible fixed assets

	Leasehold land £	Leasehold building improve- ments £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	1,152,977	3,170	75,331	65,196	1,296,674
Additions	-	122,048	3,094	23,180	148,322
At 31 August 2015	1,152,977	125,218	78,425	88,376	1,444,996
Depreciation					
At 1 September 2014	9,224	26	19,598	13,159	42,007
Charge for the year	9,224	483	15,219	23,401	48,327
At 31 August 2015	18,448	509	34,817	36,560	90,334
Net book value					
At 31 August 2015	1,134,529	124,709	43,608	51,816	1,354,662
At 31 August 2014	1,143,753	3,144	55,733	52,037	1,254,667

Included in leasehold land are the school playing fields, these were gifted to the academy on a 125 year lease from Staffordshire County Council.

14. Debtors

	2015 £	2014 £
Trade debtors	1,047	1,089
Other debtors	486	486
Prepayments and accrued income	122,634	58,505
VAT recoverable	23,725	82,014
	<u>147,892</u>	<u>142,094</u>

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**15. Creditors:
Amounts falling due within one year**

	2015	2014
	£	£
Trade creditors	90,028	149,534
Other taxation and social security	40,805	40,003
Other creditors	38,039	36,565
Accruals and deferred income	130,043	68,075
	298,915	294,177

Deferred income

Deferred income at 1 September 2014	37,088
Resources deferred during the year	48,765
Amounts released from previous years	(37,088)
Deferred income at 31 August 2015	48,765

At the balance sheet date the academy was holding funds relating to grants for the 2015/16 academic year and trips taking place during the 2015/16 academic year.

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16. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Fund	296,936	127,370	(46,820)	(65,141)	-	312,345
Restricted funds						
General Annual Grant (GAG)	167,147	2,878,832	(2,741,603)	(18,539)	-	285,837
Educational Trips	40,390	132,550	(129,480)	-	-	43,460
Pupil premium	27,907	145,737	(116,336)	-	-	57,308
PE Teaching Grant	3,703	9,805	(3,914)	(5,621)	-	3,973
Y7 Catch up Grant	19,945	13,501	(2,050)	-	-	31,396
Special Educational Needs	-	20,191	(20,191)	-	-	-
Learning Resources	-	5,347	(5,347)	-	-	-
Other restricted income	1,041	4,330	(4,935)	-	-	436
Other government grants	-	6,800	(6,800)	-	-	-
Pension reserve	(1,136,000)	-	(77,000)	-	8,000	(1,205,000)
	<u>(875,867)</u>	<u>3,217,093</u>	<u>(3,107,656)</u>	<u>(24,160)</u>	<u>8,000</u>	<u>(782,590)</u>
Restricted fixed asset funds						
Transfer from legacy school	1,184,927	-	(13,957)	-	-	1,170,970
Capital expenditure from GAG and DfE revenue grants	65,205	-	(32,042)	24,160	-	57,323
DfE/EFA capital grants	22,814	65,725	(2,326)	-	-	86,213
Capital expenditure from unrestricted funds	-	-	-	65,141	-	65,141
	<u>1,272,946</u>	<u>65,725</u>	<u>(48,325)</u>	<u>89,301</u>	<u>-</u>	<u>1,379,647</u>
Total restricted funds	<u>397,079</u>	<u>3,282,818</u>	<u>(3,155,981)</u>	<u>65,141</u>	<u>8,000</u>	<u>597,057</u>
Total of funds	<u>694,015</u>	<u>3,410,188</u>	<u>(3,202,801)</u>	<u>-</u>	<u>8,000</u>	<u>909,402</u>

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16. Statement of funds (continued)

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

Unrestricted Funds

This fund represents those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors.

Restricted Funds

This fund represents grants received for the Academy's operational activities and development, restricted music income and income for the secondment of a teacher to another school.

Pension reserve

This fund represents the academy's share of the pension liability arising on the LGPS pension fund.

Restricted Fixed Asset Fund

This fund relates to the donation of the leasehold playing fields from the local authority on a 125 year lease, other fixed assets donated on conversion and a small amount of capital expenditure from GAG.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	296,936	127,370	(46,820)	(65,141)	-	312,345
Restricted funds	(875,867)	3,217,093	(3,107,656)	(24,160)	8,000	(782,590)
Restricted fixed asset funds	1,272,946	65,725	(48,325)	89,301	-	1,379,647
	694,015	3,410,188	(3,202,801)	-	8,000	909,402

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Notes to the Financial Statements
For the year ended 31 August 2015

17. Analysis of net assets between funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	1,354,662	1,354,662	1,254,666
Current assets	312,345	721,325	24,985	1,058,655	869,524
Creditors due within one year	-	(298,915)	-	(298,915)	(294,175)
Pension liability	-	(1,205,000)	-	(1,205,000)	(1,136,000)
	<u>312,345</u>	<u>(782,590)</u>	<u>1,379,647</u>	<u>909,402</u>	<u>694,015</u>

18. Net cash flow from operations

	2015 £	2014 £
Net income	207,387	147,191
Returns on investments and servicing of finance	(896)	(766)
Depreciation of tangible fixed assets	48,327	32,005
Increase in debtors	(5,798)	(88,914)
Increase in creditors	4,737	86,420
Capital grants from EFA	(65,725)	(22,840)
FRS 17 adjustments	77,000	55,000
Net cash inflow from operations	<u>265,032</u>	<u>208,096</u>

19. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>896</u>	<u>766</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(148,321)	(75,200)
Capital grants from EFA	65,725	22,840
Net cash outflow capital expenditure	<u>(82,596)</u>	<u>(52,360)</u>

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20. Analysis of changes in net funds

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	727,431	183,332	-	910,763
Net funds	727,431	183,332	-	910,763

21. Pension commitments

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

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

Contributions amounting to £38,039 were payable to the scheme at 31 August 2015 (2014 - £36,565) 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.

21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The total contribution made to the TPS during the year ended 31 August 2015 was £353,000, of which employer's contributions totalled £210,000 and employees' contributions totalled £143,000.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £110,000, of which employer's contributions totalled £84,000 and employees' contributions totalled £26,000. The agreed contribution rates for future years are 19.2% 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.

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21. Pension commitments (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	497,000	6.30	418,000
Bonds	3.80	74,000	3.40	72,000
Property	3.80	60,000	4.50	44,000
Cash	3.80	40,000	3.30	17,000
Total market value of assets		671,000		551,000
Present value of scheme liabilities		(1,876,000)		(1,687,000)
Deficit in the scheme		(1,205,000)		(1,136,000)

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,876,000)	(1,687,000)
Fair value of scheme assets	671,000	551,000
Net liability	(1,205,000)	(1,136,000)

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

	2015 £	2014 £
Current service cost	(130,000)	(103,000)
Interest on obligation	(65,000)	(61,000)
Expected return on scheme assets	34,000	33,000
Total	(161,000)	(131,000)
Actual return on scheme assets	17,000	69,000

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21. Pension commitments (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	1,687,000	1,263,000
Current service cost	130,000	103,000
Interest cost	65,000	61,000
Contributions by scheme participants	26,000	25,000
Actuarial losses	(25,000)	239,000
Benefits paid	(7,000)	(4,000)
	<u>1,876,000</u>	<u>1,687,000</u>
Closing defined benefit obligation	<u>1,876,000</u>	<u>1,687,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	551,000	493,000
Expected return on assets	34,000	33,000
Actuarial (losses) and gains	(17,000)	(72,000)
Contributions by employer	84,000	76,000
Contributions by employees	26,000	25,000
Benefits paid	(7,000)	(4,000)
	<u>671,000</u>	<u>551,000</u>

The cumulative amount of actuarial losses recognised in the Statement of total recognised gains and losses was £367,000 (2014 - £375,000).

The academy expects to contribute £88,000 to its Defined benefit pension scheme in 2016.

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

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

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.60 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Commutation of pensions to lump sums	75.00 %	75.00 %

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21. Pension commitments (continued)

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

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

Experience adjustments for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(1,876,000)	(1,687,000)
Scheme assets	671,000	551,000
Deficit	<u>(1,205,000)</u>	<u>(1,136,000)</u>
Experience gains on scheme liabilities	-	(20,000)
Experience (losses)/gains on scheme assets	<u>(17,000)</u>	<u>(72,000)</u>

22. Operating lease commitments

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

	2015 £	2014 £
Expiry date:		
Between 2 and 5 years	<u>4,311</u>	<u>4,311</u>

23. Members' Liability

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

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24. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the year Mrs C Hall, a Trustee of the Academy was paid remuneration in relation to the work she completed as a supply teacher for the Academy. In the relation to this work she received remuneration of £2,139 (2014 -£nil) and the Academy paid pension contributions of £302 (2014 - £nil). Remuneration paid to Mrs C Hall was in accordance with the remuneration paid to supply teachers within the Academy. No other expenditure has been paid to Mrs C Hall during the year.

No other related party transactions took place in the period of account.