



Financial Statements Peterborough Diocese Education Trust

For the year ended 31 August 2015

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Registered number: 08509710

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Peterborough Diocese Education Trust
(A company limited by guarantee)

Reference and Administrative Details of the Academy Trust

For the year ended 31 August 2015

Members

Mrs M P H Robinson (representative of Peterborough Diocese Church Schools Trust)
Bishop J Holbrook (representative of Diocese of Peterborough Board of Education)
Dr R Whittaker (representative of Bishop Stopford School)
Dr J Herrick (Chair of Directors)

Directors

Mrs H J K Buckley
Mr M J Cowland
Mr P W Goringe
Dr J Herrick
Mrs M F Holman
Mrs M P H Robinson
Mr G Cracknell (appointed 1 May 2015)
Mrs C Armstrong (appointed 1 May 2015)

Company registered number

08509710

Principal and registered office

Bouverie Court
6 The Lakes
Bedford Road
Northampton
Northamptonshire
NN4 7YD

Senior management team

Mrs M P H Robinson, Chief Executive
Mr P W Goringe, Education Director
Mrs H J K Buckley, Director, Legal Advisor
Mr M J Cowland, Business Director
Mrs F M Le Pla, School Improvement Advisor

Independent auditor

Grant Thornton UK LLP
Chartered Accountants
300 Pavilion Drive
Northampton Business Park
Northampton
NN4 7YE

Peterborough Diocese Education Trust
(A company limited by guarantee)

Reference and Administrative Details of the Academy Trust

For the year ended 31 August 2015

Administrative details (continued)

Bankers

Barclays Bank Plc
Cambridge

Lloyds Bank Plc
Northampton

Directors' Report

For the year ended 31 August 2015

The Directors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's report of Peterborough Diocese Education Trust (the Academy Trust) for the year from 1 September 2014 to 31 August 2015. The Directors confirm that the Annual report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Peterborough Diocese Education Trust ("PDET") is a Multi Academy Trust established to provide a home for schools in the Diocese of Peterborough who wish to convert to academy status or who are compelled by the Government to convert. There were twelve academies in the Academy Trust at 31 August 2015.

Structure, governance and management

Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. It was set up and is constituted by a Memorandum of Association on 29 April 2013.

The principal object of the Academy Trust is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- (ii) Other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

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.

Method of recruitment and appointment or election of Directors

The management of the Academy Trust is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

Policies and procedures adopted for the induction and training of Directors

Directors undertake external training and training provided by the Diocese of Peterborough. A new induction process is being developed by a small task group of Directors.

Directors' Report (continued)

For the year ended 31 August 2015

Organisational structure

The management structure consists of four levels: the Members, the Directors, the Local Governing Bodies and the Headteachers. The aim of the management structure is to devolve responsibility built on a system of earned autonomy based around two separate Schemes of Delegation. The Chief Executive of the Multi Academy Trust is the Accounting Officer.

Connected organisations, including related party relationships

The Academy Trust's sponsor is the Diocese of Peterborough.

Risk management

The Directors have assessed the major risks to which the Academy Trust is exposed, in particular those related to the operations and finances of the Academy Trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Directors have approved a Risk Register and have identified the following as the most significant risks (based on likelihood and impact):

1. Committee not established with delegated authority. A full committee structure, schemes of delegation and terms of reference are expected to be in place within the next 12 months.
2. Risk that information produced for Directors, Governors, and senior management is not accurate or is not in a format suitable for monitoring the performance of the Academy Trust and academies or for making informed decisions. Standard reporting templates will be developed within the next 6 months.
3. Risk that legislative requirements are not known or complied with. PDET purchases support from a wide range of professional partners, many of which are leaders in their field. A comprehensive set of policies will be approved within the next 12 months. Senior PDET officers attend regular training and update sessions.

Objectives and Activities

Objects and aims

The Academy Trust's object is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- (ii) Other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

Directors' Report (continued)

For the year ended 31 August 2015

Objectives, strategies and activities

The Academy Trust aims to establish a network of academies within the Diocese of Peterborough, which provide a high quality of education for our children. The Academy Trust's first Academy opened in May 2014 with two more following in July 2014 and a fourth opening in August 2014. Eight further academies opened during the twelve months between September 2014 and August 2015. The Academy Trust will continue to work with local authorities, the Government and individual schools to raise the standards of education within the Diocese of Peterborough.

Activities for achieving objectives

The Academy Trust has written and adopted a Strategic Plan, which outlines who the Academy Trust is; our vision, mission; ambition and our governance model. The Strategic Plan outlines the support each of our academies receives from the Central Support Charge and it illustrates our growth plan for the next 12 months as well as our strategic objectives for the next 3 years under the three core headings of:

- Enhance leadership at all levels
- Increase support for schools
- Improve the operational efficiency of our organisation

The Academy Trust has appointed an additional member to its Academy Improvement team, a Finance Officer, an Academy Bursar (shared between one academy and the head office) and is due to appoint an HR Manager in the next academic year.

The Academy Trust led on the procurement of a catering contractor on behalf of five of its academies in order to achieve healthier meals for the children and greater value for money for the academies, all were unsatisfied with the service offered by their previous contractor.

The Academy Trust has facilitated the development of a Business Manager forum, which meets termly and enables sharing best practice, disseminating new policies and ensures that the Academy Trust is aware of the business issues in the academies.

Directors have agreed a process of self evaluation, which will highlight the areas that need development.

Directors have agreed to complete a skills audit of the Board in order to fill the vacancies with individuals who have the appropriate skills and experiences necessary for the Academy Trust to continue to grow and to offer support to its academies.

Public benefit

The Directors confirm that they have referred to the Charity Commission's guidance on Public Benefit when reviewing the Academy Trust's aims and objectives and in planning future activities for the year.

Directors' Report (continued)

For the year ended 31 August 2015

Strategic Report

Achievements and performance

Chief Executive's Annual Report

This is the second year of operation of Peterborough Diocese Education Trust; the annual report covers the period from 1 September 2014 to 31 August 2015. At the start of the reporting year, the academy trust had 4 open academies, all in Northamptonshire Local Authority. They were:

1. St Andrew's CEVC Primary School, Kettering (1 May 2014)
2. Barby CEVC Primary School (1 July 2014)
3. Braunston CEVC Primary School (1 July 2014)
4. Staverton CEVA Primary School (1 August 2014)

During the course of this year, another 8 schools have joined PDET. All of the schools, with the exception of Ryhall which is in Rutland LA, are in Northamptonshire LA.

1. Loddington CEVA Primary School (1 October 2014)
2. Great Addington CEVA Primary School (1 October 2014)
3. St Barnabas CEVC Infant School (1 October 2014)
4. Ryhall CEVC Primary School (1 October 2014)
5. Milton Parochial Primary School (1 February 2015)
6. St James CEVC Primary School (1 February 2015)
7. Ringstead CEVC Primary School (1 February 2015)
8. Easton Garford Endowed CE Primary School (1 July 2015)

Future expansion:

During the academic/financial year 2015-6 PDET plans to grow to 24 schools. An Academy Order has been issued for Pytchley Endowed CEVA School to convert on 1 September and there are a further 11 schools where the governing body has voted to join PDET. The Board of Directors will 'stagger' academy conversions to ensure that it has the capacity to support schools joining PDET and also to maintain a balance of sponsored and convertor academies. To ensure financial viability, attention will also be paid to the numbers of pupils on roll. Our aim is to achieve more than 3,000 pupils across the Academy Trust in the next academic year. This number of pupils means that PDET will receive a capital funding allocation directly from the Education Funding Agency to deploy strategically across our academies to address our priority maintenance and expansion needs.

Strategic developments 2014/2015:

One of the main challenges facing PDET this year has been the incremental growth of the central team to support academies. The lack of success in appointing a Director of Academies means the Directors are taking the opportunity to review and re-structure the PDET leadership team. The Academy Trust has also formed a strategic alliance with the Fairfields Teaching School Alliance. Our central support provision has been extended to cover membership of Plumsun offering an educational visits service and support with health and safety.

Directors' Report (continued)

For the year ended 31 August 2015

Staffing:

The central team has expanded to provide greater support as the number of academies has increased: a part-time school effectiveness officer was appointed in September, as was a school finance officer; the PDET administrator took up post in January 2015.

Educational Outcomes 2015

The analysis covers all 12 academies that were members of PDET, including Easton Garford School which joined on 1 July after the assessments had been made.

The strengths:

- The Early Year Foundation Stage: Good level of development above the national average
- Year 1 Phonics expected standard above the national average
- KS1 maths in line with the national average
- Level 5+ reading, writing and maths (RWM) combined above the national average
- Level 4+ writing, maths, English, grammar, punctuation and spelling (EGPS) in line with or above the national average
- 2 levels of progress in line with or above the national average
- No academy was below the 2015 floor standard

Areas for improvement:

- Significant variation in performance of individual academies, some of this is due to small cohorts

KS1:

- Boys reading and writing outcomes
- Narrowing the attainment gap between disadvantaged pupils and their peers
- Overall standards in reading

KS2:

- RWM outcomes for some academies close to or below 65%
- Inconsistent performance across RWM
- Boys reading and writing
- Proportion gaining L5+ in individual subjects
- Too few pupils making good progress especially in reading and writing.

Going concern

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

Directors' Report (continued)

For the year ended 31 August 2015

Financial Review

Key financial performance indicators

The Academy Trust use a number of financial key performance indicators to monitor our financial success and progress. These include teacher cost per pupil ratios, percentage of total income spent on salaries and salary benchmarking across the Trust's Academies.

Review of activities

In addition to the activities, growth and successes highlighted earlier in this report, PDET has completed a second successful Sponsor Capacity Grant application. This additional funding will enable PDET to develop its capacity and invest further in school improvement and business support.

The Academy Trust continues to develop its network of professional partners supporting the business function of the academies and enabling the Headteachers in the academies to focus on teaching and learning. This additional support includes membership of a Teaching Alliance, additional Health and Safety support and advice on Educational Visits and comes at no extra cost to the academies.

The Academy Trust worked with Ryhall Church of England Academy to submit a successful application to the Condition Improvement Fund. This will fund much needed repairs to the roof, gutters and drainage at the Academy.

The Academy Trust has entered into contracts with:

- Plumsun – to provide academies with support with educational visits
- Plumsun – to provide academies with additional Health & Safety support
- Fairfield Teaching School Alliance – to provide educational support to our academies
- abm – to provide catering services in five of our academies

Investment policy and performance

Directors have determined that through the management of future cash flow there will be sufficient funds in main bank accounts to cover operational costs, whilst enabling balances to be invested in similar secure short term higher interest deposit accounts.

Directors will ensure that any cash not required for operational expenses is placed on deposit at a favourable rate. PDET is currently holding a sum in a deposit account with Barclays Bank to secure a higher rate of interest. PDET academies have been provided with a deposit account with Barclays Bank and the decision to use it or not has been delegated to the academies.

Funds and reserves

Unrestricted funds were mainly derived from voluntary income on conversions, sponsor grant and activities for generating funds. The surplus for the period on unrestricted funds (before transfers between funds) was £275,820.

The restricted general funds (before transfers between funds) show a deficit of £1,607,279. This comprises a £1,817,000 deficit on LGPS pension schemes and a surplus of £186,126 from funding from the DfE, Local Authorities and sponsor grants.

Directors' Report (continued)

For the year ended 31 August 2015

The restricted fixed asset fund shows a surplus of £323,360 before transfers and a surplus of £335,159 after transfers which is equivalent to the net book value of fixed assets at 31 August 2015, allowing for late funding of CIF.

The Academy Trust holds total funds at 31 August 2015 of £286,975, comprising unrestricted funds of £1,790,039, restricted general funds of £453,895 restricted pension reserve of (£2,295,000) and restricted fixed asset funds of £338,041.

The fund balances are adequate to fulfil the obligations of the Academy Trust.

Principal risks and uncertainties

The principal risks and uncertainties are identified in the Academy Risk Assessment. Further detail on the mitigation and control of risk can be found in the Governance Statement.

Reserves policy

Directors review the reserve levels of the Academy Trust annually. Directors will seek to carry forward a prudent level of reserves both in the Academy Trust and the Academies to meet the long term needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects. The Head Office aims for reserves equal to six months of its operating expenses. This currently equates to approximately £250,000. The academies are advised to keep sufficient reserves to cover building failures.

Plans for future periods

Future developments

PDET continues to have ambitions for rapid but sensible growth. Our Strategic Plan indicates our desire to increase to 24 academies by the end of August 2016. These academies will help us to ensure that our fixed costs are met while giving us an increased ability to provide a higher level of school improvement support.

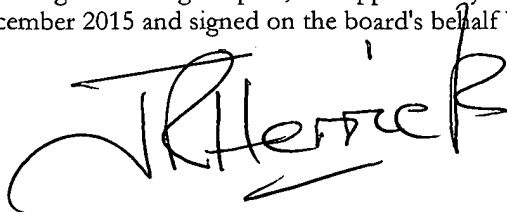
Disclosure of information to auditor

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

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by order of the Board of Directors, as the company directors, on 22 December 2015 and signed on the board's behalf by:

Dr J Herrick
Chair of Directors



Governance Statement

Scope of Responsibility

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

The Board of Directors has delegated the day-to-day responsibility to Mrs M P H Robinson, 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 Peterborough Diocese Education Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' report and in the Directors' responsibilities statement. The Board of Directors has formally met 6 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Mrs C Armstrong (appointed May 2015)	4	4
Mrs H J K Buckley	11	12
Mr M J Cowland	12	12
Mr G Cracknell (appointed May 2015)	4	4
Mr P W Goringe	10	12
Dr J Herrick	12	12
Mrs M F Holman	11	12
Mrs M P H Robinson	11	12

Following a skills audit and identification of specific requirements, Mrs Armstrong and Mr Cracknell were appointed as Directors in May 2015.

Governance reviews:

Each Academy has a Local Governing Body. This Local Governing Body is a committee of the Board of Directors and makes decisions on behalf of the Directors in line with the agreed Scheme of Delegation.

There are currently no other committees of the Board of Directors. However, Directors are intending to establish committees for Business Management, Audit, Governance and Academy Standards in 2015. During the year, the Directors have reviewed the Budget for the Academy Trust during full directors meetings.

Directors are intending to complete a further skills audit later in 2015 in order to recruit additional Directors with the specialist skills required. Directors are also planning to request skills audits from each Local Governing Body.

Review of Value for Money

As Accounting Officer, Mrs M P H Robinson 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved,

Governance Statement (continued)

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:

Professional services:

All of our academies pay 5% of their General Annual Grant to PDET to provide a broad range of services, a full list is available from www.pdet.org.uk. In consultation with our Academy Headteacher reference group the Academy Trust has committed to increasing the services provided wherever possible. Some examples of where the Academy Trust has saved our academies money are below:

- We have procured membership of a Teaching School Alliance at a reduced cost
- We have procured additional Health and Safety advice at a reduced cost
- We have procured educational visits support at a reduced cost
- We have procured business critical advice at a reduced cost
- We have made multiple savings on staff training and development
- We have procured financial management system savings
- We have procured additional insurance savings

Additionally, because the Academy Trust has developed the expertise and experience within our own team we no longer employ external project managers to guide us through the academy conversion process. This saves approximately £3,000 per academy conversion.

One of our academies approached us with a desire to change its catering provider as it was unsatisfied with the value for money of its existing partner. The Academy Trust approached all of its academies and offered to lead a joint catering procurement exercise on behalf of all who were interested. Four additional academies expressed an interest in this, resulting in a very attractive contract for catering for five academies, ranging from 100 to over 300 children. Working alongside the Litmus Partnership, the Academy Trust issued an Invitation to Tender and managed an OJEU compliant tendering process to select a partner for the five academies who best met our requirements at no additional cost. The successful bidder was able to TUPE existing staff as well as increasing staff numbers to offer an improved service, produce all meals freshly on site, introduce salad bars and invest in additional equipment. All academies have benefitted from this, with the smaller academies receiving a much improved service.

Employment:

PDET has benefited from time donated by the Diocese of Peterborough's Director of Education and the Deputy Director of Education to establish and support the Peterborough Diocese Education Trust. This time and the existing relationships with schools has been crucial to support our development.

The Business Manager at one of our academies resigned. PDET worked with the academy to develop an Academy Bursar role that would share time between the academy and PDET's head office. While at the academy, the postholder is focusing purely on finance and HR while supporting the development of their existing Administration Officer to be able to fulfil the role of Business Manager within 12 months. While at PDET's head office, the postholder is supporting our existing Finance Officer and all academies within PDET to ensure compliance with the Academy Financial Handbook and PDET's own Financial Regulations Manual. The highly experienced and qualified candidate would not have been attracted to the role without the trustwide responsibilities, benefitting the academy hugely.

As a result of our growth, PDET has increased its contribution towards the salary costs of the School Improvement Advisor employed by the Diocese of Peterborough and is receiving more support in return. This means the Academy Trust has been able to access the services of a lead Ofsted inspector for far less costs than employing our own.

Governance Statement (continued)

Other “in kind” support from the Diocese of Peterborough has included:

- Office space. The Peterborough Diocese Education Trust is based within the Diocese of Peterborough’s education office. There was no charge for this during the year ending August 2015;
- Telephone, email, internet, consumables, heat, light etc. The Diocese of Peterborough has not charged PDET for these essential items.

External funding

PDET secured a sponsor capacity grant of £75,000 during the year. This grant will be used to further develop PDET’s organisational structures, invest in additional school performance initiatives and provide additional professional advice and support to our academies. There was no requirement for PDET to provide partnership funding.

PDET and Ryhall Primary Academy secured £163,806 from the Condition Improvement Fund to carry out essential roof repairs. The academy was required to contribute £5,000 of partnership funding.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Peterborough Diocese Education Trust up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Directors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust’s significant risks, that has been in place up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

The Directors have approved a Risk Register and have identified the following as the most significant risks (based on likelihood and impact):

1. Committee not established with delegated authority. A full committee structure, schemes of delegation and terms of reference are expected to be in place within the next 12 months.
2. Risk that information produced for Directors, Governors, and senior management is not accurate or is not in a format suitable for monitoring the performance of the Academy Trust and academies or for making informed decisions. Standard reporting templates will be developed within the next 6 months.
3. Risk that legislative requirements are not known or complied with. PDET purchases support from a wide range of professional partners, many of which are leaders in their field. A comprehensive set of policies will be approved within the next 12 months. Senior PDET officers attend regular training and update sessions.

Governance Statement (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Local Governing Body 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 Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Directors have appointed Grant Thornton UK LLP, the external auditor, to perform additional checks.

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

Aged Debtor reports
Aged Creditor reports
Bank Reconciliation
Unreconciled Items
Petty Cash Reports
Payroll Control
Trial Balances
VAT 126
Losses/Transactions with connected parties
Pupil Numbers
Staff information
Accruals & Prepayments
Journal Audit Trail
Purchase ledger

On a semi-annual basis, the auditor reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

The auditor also provides advice to the Business Director and Finance Officer on a number of monthly reports and checks that can be implemented by Head Office staff in the academies. In our second year of operation, the reviewer will report to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

Governance Statement (continued)

Review of Effectiveness

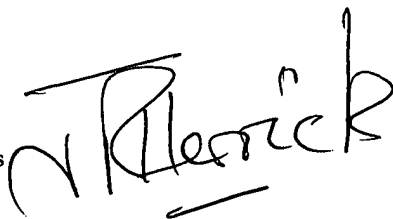
As Accounting Officer, Mrs M P H Robinson has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

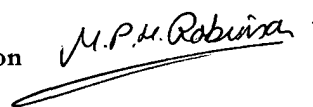
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Business Director and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 22 December 2015 and signed on its behalf, by:

Dr J Herrick
Chair of Directors



Mrs M P H Robinson
Accounting Officer

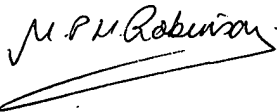


Statement on Regularity, Propriety and Compliance

As Accounting Officer of Peterborough Diocese Education Trust I have considered my responsibility to notify the Academy Trust Board of Directors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Trust Board of Directors are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook (2014).

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 Directors and EFA.



Mrs M P H Robinson
Accounting Officer

Date: 22 December 2015

Directors' Responsibilities Statement

For the year ended 31 August 2015

The Directors (who act as governors of Peterborough Diocese Education Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors 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 Directors 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 Directors 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 Directors 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 Directors on 22 December 2015 and signed on its behalf by:

Dr John Herrick
Chair of Directors





Independent Auditor's Report to the Members of Peterborough Diocese Education Trust

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

Respective responsibilities of Directors and auditor

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

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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.

(A company limited by guarantee)



Independent Auditor's Report to the Members of Peterborough Diocese Education Trust

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 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 Directors' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

A handwritten signature in black ink, appearing to read "Steve Robinson".

Steve Robinson (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Northampton

23 December 2015

Independent Reporting Accountant's Assurance Report on Regularity to Peterborough Diocese Education Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 24 September 2015 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 Peterborough Diocese Education Trust 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 Peterborough Diocese Education Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Peterborough Diocese Education Trust 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 Peterborough Diocese Education Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Peterborough Diocese Education Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Peterborough Diocese Education Trust's funding agreements with the Secretary of State for Education 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 Trust's income and expenditure.

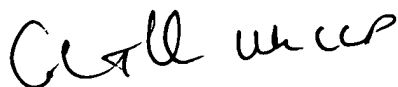
Independent Reporting Accountant's Assurance Report on Regularity to Peterborough Diocese Education Trust and the Education Funding Agency (continued)

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- evaluation of the processes and controls established and maintained in respect of regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and
- detailed testing on a sample basis of income and expenditure for the areas identified as high risk.

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.



Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Northampton
300 Pavilion Drive
Northampton Business Park
Northampton
NN4 7YE

23 December 2015

Statement of Financial Activities

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

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Not e					
Incoming resources						
Incoming resources from generated funds:						
Donations	2	39,120	-	-	39,120	692
Voluntary income - transfer on conversion	2	865,031	(1,685,000)	-	(819,969)	(107,383)
Activities for generating funds	3	411,578	-	-	411,578	23,056
Investment income	4	530	-	-	530	5
Incoming resources from charitable activities	5	-	7,388,186	339,598	7,727,784	1,039,381
Total incoming resources		1,316,259	5,703,186	339,598	7,359,043	955,751
Resources expended						
Charitable activities		40,439	7,106,164	16,338	7,162,941	716,782
Governance costs	7	-	204,301	-	204,301	35,795
Total resources expended	8	40,439	7,310,465	16,338	7,367,242	752,577
Net incoming / (outgoing) resources before transfers		1,275,820	(1,607,279)	323,260	(8,199)	203,174

Statement of Financial Activities (continued)

For the year ended 31 August 2015

	Not e	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	18	(11,899)	-	11,899	-	-
Net income / (expenditure) for the year		1,263,921	(1,607,279)	335,159	(8,199)	203,174
Actuarial gains/(losses) on defined benefit pension schemes		-	123,000	-	123,000	(31,000)
Net movement in funds for the year		1,263,921	(1,484,279)	335,159	114,801	172,174
Total funds at 1 September 2014		526,118	(356,826)	2,882	172,174	-
Total funds at 31 August 2015		1,790,039	(1,841,105)	338,041	286,975	172,174

All activities relate to continuing operations.

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

The notes on pages 25 to 47 form part of these financial statements.

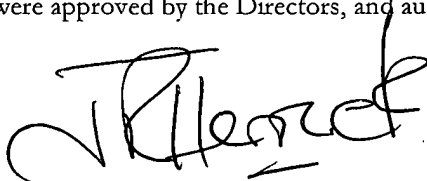
Balance Sheet

As at 31 August 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	15		188,437		2,882
Current assets					
Debtors	16	375,746		514,314	
Cash at bank and in hand		2,455,732		407,821	
		<u>2,831,478</u>		<u>922,135</u>	
Creditors: amounts falling due within one year	17	<u>(437,940)</u>		<u>(151,843)</u>	
Net current assets			<u>2,393,538</u>		<u>770,292</u>
Total assets less current liabilities			<u>2,581,975</u>		<u>773,174</u>
Defined benefit pension scheme liability	25		<u>(2,295,000)</u>		<u>(601,000)</u>
Net assets including pension scheme liability			<u><u>286,975</u></u>		<u><u>172,174</u></u>
Funds of the academy					
Restricted funds:					
Restricted funds	18	453,895		244,174	
Restricted fixed asset funds	18	338,041		2,882	
		<u>791,936</u>		<u>247,056</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(2,295,000)</u>		<u>(601,000)</u>	
Total restricted funds			<u>(1,503,064)</u>		<u>(353,944)</u>
Unrestricted funds	18		<u>1,790,039</u>		<u>526,118</u>
Total funds			<u><u>286,975</u></u>		<u><u>172,174</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 22 December 2015 and are signed on their behalf, by:

Dr J Herrick
Chair of Directors



The notes on pages 25 to 47 form part of these financial statements.

Cash Flow Statement

For the year ended 31 August 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	20	2,249,274	411,058
Returns on investments and servicing of finance	21	530	5
Capital expenditure and financial investment	21	(201,893)	(3,242)
Cash transferred on conversion to an Academy Trust	23	(827,867)	(7,000)
Increase in cash in the year		1,220,044	400,821

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	1,220,044	400,821
Change in net debt resulting from cash flows	1,220,044	400,821
Cash transferred on conversion	827,867	7,000
Movement in net funds in the year	2,047,911	407,821
Net funds at 1 September 2014	407,821	-
Net funds at 31 August 2015	2,455,732	407,821

The notes on pages 25 to 47 form part of these financial statements.

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 Fund accounting

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

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 the Department for Education.

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

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust 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 Trust's policies.

Notes to the Financial Statements

For the year ended 31 August 2015

1. Accounting Policies (continued)

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

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

1.4 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.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the financial statements. The Directors confirm that based on their assessment of the Academy Trust is a going concern.

Notes to the Financial Statements

For the year ended 31 August 2015

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 Trust's depreciation policy.

Where academies are operating under a licence to occupy, the land and buildings are not recognised as fixed assets in the financial statements.

The Board of Directors have chosen not to include building valuations on the Balance Sheet. The Academy Trust does not own any of the school sites. The school sites are owned by the site trustees and are made available to the schools by a Church Supplemental Agreement. The site trustees can withdraw the school site at any time on two years notice. The Academy Trust cannot sell the 'asset' or mortgage it as security for any borrowing. The economic benefit to the Academy Trust is that it does have the use of the site for nil consideration, but only for the use as a church school. Therefore, the Academy Trust has concluded after seeking legal opinion, not to include the value of the sites and buildings they use. The risks and rewards of ownership have not been passed to the Academy Trust and therefore no value has been attributed to the land and buildings at 31 August 2015.

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:

Long-term leasehold property	-	30 years
Motor vehicles	-	5 years
Fixtures and fittings	-	5 years
Computer equipment	-	5 years

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes to the Financial Statements

For the year ended 31 August 2015

1. Accounting Policies (continued)

1.8 Taxation

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

1.9 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on 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.

Notes to the Financial Statements

For the year ended 31 August 2015

2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	39,120	-	39,120	692
Pension deficit transferred on conversion	-	(1,685,000)	(1,685,000)	(562,000)
Budget surplus on LA funds	838,847	-	838,847	430,694
School funds on conversion	26,184	-	26,184	23,923
Voluntary income	904,151	(1,685,000)	(780,849)	(106,691)

3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	2,720	-	2,720	600
Catering income	6,161	-	6,161	10
Other income	402,697	-	402,697	22,446
	411,578	-	411,578	23,056

4. Investment income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Short term deposits	530	-	530	5

Notes to the Financial Statements

For the year ended 31 August 2015

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 (GAG)	-	5,961,334	5,961,334	559,298
Other DfE/EFA grants	-	908,201	908,201	346,733
	-	6,869,535	6,869,535	906,031
Other government grants				
Local authority grants	-	380,243	380,243	45,025
	-	380,243	380,243	45,025
Other funding				
Sponsor grants	-	-	-	88,325
Capital funding	-	339,598	339,598	-
Other	-	138,408	138,408	-
	-	478,006	478,006	88,325
	-	7,727,784	7,727,784	1,039,381

6. Expenditure by charitable activity

Summary by fund type

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Direct costs	37,963	5,472,744	5,510,707	475,974
Support costs	2,476	1,649,758	1,652,234	240,808
	40,439	7,122,502	7,162,941	716,782

Notes to the Financial Statements

For the year ended 31 August 2015

Detail by fund type

	Unrestricted funds £	Restricted funds £	2015 £	2014 £
Direct costs				
Teaching and educational support staff costs	-	4,794,592	4,794,592	411,940
Technology costs	-	158,595	158,595	11,173
Educational supplies	-	296,120	296,120	13,987
Staff development	-	56,031	56,031	22,266
Depreciation	-	16,338	16,338	360
Other direct costs	37,963	107,068	145,031	11,248
FRS 17 cost	-	44,000	44,000	5,000
Total	37,963	5,472,744	5,510,707	475,974

	Unrestricted funds £	Restricted funds £	2015 £	2014 £
Support costs				
Support staff costs	-	641,705	641,705	71,804
Technology costs	-	39,248	39,248	43,597
Recruitment and support	-	3,535	3,535	3,061
Maintenance of premises and equipment	-	150,178	150,178	17,748
Cleaning	-	8,063	8,063	1,600
Rent and rates	-	27,694	27,694	249
Energy costs	-	105,250	105,250	8,071
Insurance	-	57,231	57,231	15,529
Security and transport	-	1,304	1,304	14
Catering	-	137,111	137,111	39
Other support costs	-	478,439	478,439	79,096
Bank interest and charges	2,476	-	2,476	-
Total	2,476	1,649,758	1,652,234	240,808

Notes to the Financial Statements

For the year ended 31 August 2015

7. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor's remuneration - audit of financial statements	-	18,920	18,920	8,930
Auditor's remuneration - other services	-	13,255	13,255	8,175
Legal and professional fees	-	172,126	172,126	18,690
	-	204,301	204,301	35,795

8. Resources expended

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Direct costs	4,794,592	16,338	699,777	5,510,707	475,974
Support costs	641,705	348,416	662,113	1,652,234	240,808
Charitable activities	5,436,297	364,754	1,361,890	7,162,941	716,782
Governance	-	-	204,301	204,301	36,425
	5,436,297	364,754	1,566,191	7,367,242	753,207

9. Net incoming / (outgoing) resources

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	16,338	360
Auditor's remuneration	18,920	8,930

Notes to the Financial Statements

For the year ended 31 August 2015

10. Staff

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	4,352,754	397,072
Social security costs	221,289	24,514
Other pension costs (Note 25)	862,254	62,158
	<u>5,436,297</u>	<u>483,744</u>

b. Staff numbers

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

	2015	2014
	No.	No.
Teachers	81	28
Admin and support	96	33
Management	2	3
	<u>179</u>	<u>64</u>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	2014
	No.	No.
In the band £ 60,001 - £ 70,000	<u>2</u>	<u>0</u>

Two of the above employees participated in the Teachers' Pension Scheme (2014: NIL). During the year ended 31 August 2015, employer's pension contributions for these staff amounted to £17,849 (2014: £NIL). None of the above employees participated in the Local Government Pension Scheme (2014: NIL).

Notes to the Financial Statements

For the year ended 31 August 2015

11. Central services

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

- Education Support
- Estates
- Training
- Finance
- Accountancy

The Academy Trust charges for these services on the following basis:

- flat 5% of income

The actual amounts charged during the period were as follows:

	2015
	£
Barby Church of England Primary School	21,092
Braunston Church of England Primary School	37,797
Easton Garford Church of England Primary School	2,119
Great Addington Church of England Primary School	19,994
Loddington Church of England Primary School	19,534
Milton Parochial Primary School	12,612
Ringstead Church of England Primary School	12,705
Ryhall Church of England Academy	21,171
Staverton Church of England Primary School	19,904
St Andrews Church of England Primary School	47,652
St Barnabas Church of England Primary School	32,334
St James Church of England Primary School	51,985
Total	<u>298,899</u>

Notes to the Financial Statements

For the year ended 31 August 2015

12. Directors' remuneration and expenses

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Directors 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 Directors. The value of Directors' remuneration and other benefits was as follows:

	2015	2014
	£	£
Mr M J Cowland, Director	40,000-45,000	10,000-15,000
Mrs H J K Buckley, Director	10,000-15,000	0-5,000

The value of Employers pension contribution's for Mike Cowland totalled between £5,000-£10,000.

The value of Employers pension contribution's for Helen Buckley totalled between £0-£5,000.

13. Directors' and officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Directors 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 £1,376 (2014 - £1,054). The cost of this insurance is included in the total insurance cost.

14. Other finance income

	2015	2014
	£	£
Expected return on pension scheme assets	50,000	2,000
Interest on pension scheme liabilities	(94,000)	(7,000)
	<u>(44,000)</u>	<u>(5,000)</u>

Notes to the Financial Statements

For the year ended 31 August 2015

15. Tangible fixed assets

	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	-	-	-	3,242	3,242
Additions	96,090	13,510	36,826	55,467	201,893
At 31 August 2015	96,090	13,510	36,826	58,709	205,135
Depreciation					
At 1 September 2014	-	-	-	360	360
Charge for the year	1,751	1,351	2,613	10,623	16,338
At 31 August 2015	1,751	1,351	2,613	10,983	16,698
Net book value					
At 31 August 2015	94,339	12,159	34,213	47,726	188,437
At 31 August 2014	-	-	-	2,882	2,882

16. Debtors

	2015 £	2014 £
Trade debtors	11,738	180
Other debtors	100,165	29,107
Prepayments and accrued income	263,843	485,027
	<u>375,746</u>	<u>514,314</u>

17. Creditors:

Amounts falling due within one year

	2015 £	2014 £
Trade creditors	25,726	30,732
Other taxation and social security	96,358	27,784
Accruals and deferred income	315,856	93,327
	<u>437,940</u>	<u>151,843</u>

Notes to the Financial Statements

For the year ended 31 August 2015

17. Creditors:
Amounts falling due within one year (continued)

Deferred income

Deferred income at 1 September 2014
Resources deferred during the year

Deferred income at 31 August 2015

£

50,000

79,493

129,493

Notes to the Financial Statements

For the year ended 31 August 2015

18. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Funds on conversion	454,617	868,307	-	(11,899)	-	1,311,025
General funds	23,176	447,952	(40,439)	-	-	430,689
Sponsor grants	48,325	-	-	-	-	48,325
	<u>526,118</u>	<u>1,316,259</u>	<u>(40,439)</u>	<u>(11,899)</u>	<u>-</u>	<u>1,790,039</u>
Restricted funds						
General Annual Grant (GAG)	43,363	6,645,304	(6,435,583)	-	-	253,084
Pupil premium	9,508	449,438	(449,438)	-	-	9,508
Other DfE funding	160,000	-	-	-	-	160,000
Sponsor grants	22,378	-	-	-	-	22,378
Local Authority funding	8,925	293,444	(293,444)	-	-	8,925
Pension reserve	(601,000)	(1,685,000)	(132,000)	-	123,000	(2,295,000)
	<u>(356,826)</u>	<u>5,703,186</u>	<u>(7,310,465)</u>	<u>-</u>	<u>123,000</u>	<u>(1,841,105)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	2,882	339,598	(16,338)	11,899	-	338,041
Total restricted funds	<u>(353,944)</u>	<u>6,042,784</u>	<u>(7,326,803)</u>	<u>11,899</u>	<u>123,000</u>	<u>(1,503,064)</u>
Total of funds	<u>172,174</u>	<u>7,359,043</u>	<u>(7,367,242)</u>	<u>-</u>	<u>123,000</u>	<u>286,975</u>

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

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education, Local Authorities and the sponsor.

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

Notes to the Financial Statements

For the year ended 31 August 2015

18. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Barby Church of England Primary School	196,772
Braunston Church of England Primary School	245,776
Easton Garford Church of England Primary School	32,380
Great Addington Church of England Primary School	34,235
Head Office	371,251
Loddington Church of England Primary School	71,716
Milton Parochial Primary School	43,818
Ringstead Church of England Primary School	86,550
Ryhall Church of England Academy	35,118
Staverton Church of England Primary School	38,134
St Andrews Church of England Primary School	312,207
St Barnabas Church of England Primary School	180,637
St James Church of England Primary School	595,340
Total before fixed asset fund and pension reserve	2,243,934
Restricted fixed asset fund	338,041
Pension reserve	(2,295,000)
Total	286,975

Notes to the Financial Statements

For the year ended 31 August 2015

18. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciatio n £	Total £
Barby Church of England Primary School	278,148	51,791	7,609	67,964	405,512
Braunston Church of England Primary School	612,923	56,664	30,972	95,318	795,877
Easton Garford Church of England Primary School	28,682	5,386	1,114	13,731	48,913
Great Addington Church of England Primary School	322,574	33,468	28,756	57,720	442,518
Head Office	-	90,288	1,190	510,571	602,049
Loddington Church of England Primary School	295,882	46,937	25,748	88,282	456,849
Milton Parochial Primary School	195,416	15,749	10,893	45,385	267,443
Ringstead Church of England Primary School	183,863	29,294	22,579	43,459	279,195
Ryhall Church of England Academy	336,761	36,403	16,467	108,402	498,033
Staverton Church of England Primary School	267,778	52,751	19,284	92,027	431,840
St Andrews Church of England Primary School	812,445	77,809	39,833	254,292	1,184,379
St Barnabas Church of England Primary School	505,352	48,274	19,922	94,324	667,872
St James Church of England Primary School	954,768	96,891	71,753	163,350	1,286,762
	<u>4,794,592</u>	<u>641,705</u>	<u>296,120</u>	<u>1,634,825</u>	<u>7,367,242</u>

Notes to the Financial Statements

For the year ended 31 August 2015

19. 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	-	-	188,437	188,437	2,882
Current assets	1,790,039	891,835	149,604	2,831,478	922,135
Creditors due within one year	-	(437,940)	-	(437,940)	(151,843)
Provisions for liabilities and charges	-	(2,295,000)	-	(2,295,000)	(601,000)
	<u>1,790,039</u>	<u>(1,841,105)</u>	<u>338,041</u>	<u>286,975</u>	<u>172,174</u>

20. Net cash flow from operations

	2015 £	2014 £
Net incoming resources before revaluations	(8,199)	203,174
Returns on investments and servicing of finance	(530)	(5)
Depreciation of tangible fixed assets	16,338	360
Decrease/(increase) in debtors	138,568	(514,314)
Increase in creditors	286,097	151,843
FRS 17 adjustment - acquired on conversion	1,685,000	562,000
FRS 17 adjustment - in the year	132,000	8,000
Net cash inflow from operations	<u>2,249,274</u>	<u>411,058</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>530</u>	<u>5</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(201,893)</u>	<u>(3,242)</u>

Notes to the Financial Statements

For the year ended 31 August 2015

22. Analysis of changes in net funds

	1 September 2014	Cash flow	Cash acquired on conversion	Other non-cash changes	31 August 2015
	£	£	£	£	£
Cash at bank and in hand:	407,821	1,220,044	827,867	-	2,455,732
Net funds	407,821	1,220,044	827,867	-	2,455,732

23. Conversion to an Academy Trust

On the dates as shown the 8 academies stated below converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Peterborough Diocese Education Trust from Northamptonshire County Council and Rutland County Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Budget surplus/(deficit) on LA funds	842,123	-	-	842,123
Budget surplus/(deficit) on other school funds	26,184	-	-	26,184
LGPS pension surplus/(deficit)	-	(1,685,000)	-	(1,685,000)
Net assets/(liabilities)	868,307	(1,685,000)	-	(816,693)

The above net assets include £827,867 that were transferred as cash.

Notes to the Financial Statements

For the year ended 31 August 2015

	LA Funds and School Funds £	LGPS £
Easton Garford Church of England Primary School (converted 1 July 2015)	37,164	(110,000)
Great Addington Church of England Primary School (converted 1 October 2014)	25,031	(93,000)
Loddington Church of England Primary School (converted 1 October 2014)	61,675	(120,000)
Milton Parochial Primary School (converted 1 February 2015)	4,054	(155,000)
Ringstead Church of England Primary School (converted 1 February 2015)	78,457	(173,000)
Ryhall Church of England Academy (converted 1 October 2014)	33,270	(158,000)
St Barnabas Church of England Primary School (converted 1 October 2014)	137,135	(228,000)
St James Church of England Primary School (converted 1 February 2015)	491,521	(648,000)
Total	<u>868,307</u>	<u>(1,685,000)</u>

24. Capital commitments

At 31 August 2015 the Academy Trust had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>168,806</u>	<u>-</u>

25. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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

Notes to the Financial Statements

For the year ended 31 August 2015

25. Pension commitments (continued)

they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

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

During the 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 pension costs paid to TPS in the period amounted to £594,634 (2014: £35,158).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £370,112, of which employer's contributions totalled £292,482 and employees' contributions totalled £77,630. The agreed contribution rates for future years are 22.6% for employers and 5.8% for employees.

Notes to the Financial Statements

For the year ended 31 August 2015

25. Pension commitments (continued)

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.

The Academy Trust'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	925,000	6.40	234,000
Bonds	3.80	258,000	2.90	62,000
Property	3.80	123,000	4.50	23,000
Cash	3.80	25,000	3.30	10,000
Total market value of assets		<u>1,331,000</u>		<u>329,000</u>
Present value of scheme liabilities		<u>(3,626,000)</u>		<u>(930,000)</u>
(Deficit)/surplus in the scheme		<u>(2,295,000)</u>		<u>(601,000)</u>

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Fair value of scheme assets	1,331,000	329,000
Present value of unfunded obligations	<u>(3,626,000)</u>	<u>(930,000)</u>
Net liability	<u>(2,295,000)</u>	<u>(601,000)</u>

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

	2015 £	2014 £
Current service cost	(386,000)	(25,000)
Interest on obligation	(94,000)	(7,000)
Expected return on scheme assets	50,000	2,000
Total	<u>(430,000)</u>	<u>(30,000)</u>
Actual return on scheme assets	<u>26,000</u>	<u>11,000</u>

Notes to the Financial Statements

For the year ended 31 August 2015

25. Pension commitments (continued)

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

	2015	2014
	£	£
Opening defined benefit obligation	930,000	-
Current service cost	386,000	25,000
Interest cost	94,000	7,000
Contributions by scheme participants	77,000	5,000
Actuarial (gains)/losses	(142,000)	40,000
Liabilities assumed in a business combination	2,281,000	853,000
	<hr/>	<hr/>
Closing defined benefit obligation	3,626,000	930,000
	<hr/>	<hr/>

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

	2015	2014
	£	£
Opening fair value of scheme assets	329,000	-
Expected return on assets	50,000	2,000
Actuarial gains and (losses)	(19,000)	9,000
Contributions by employer	298,000	22,000
Contributions by employees	77,000	5,000
Assets acquired in a business combination	596,000	291,000
	<hr/>	<hr/>
	1,331,000	329,000
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £92,000 (2014 - £31,000).

The Academy Trust expects to contribute £NIL to its Defined benefit pension scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.68 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	4.50 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

Notes to the Financial Statements

For the year ended 31 August 2015

25. 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	22.3	22.3
Females	24.3	24.3
Retiring in 20 years		
Males	24.0	24.0
Females	26.6	26.6

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(3,626,000)	(930,000)
Scheme assets	1,331,000	329,000
Deficit	(2,295,000)	(601,000)
Experience adjustments on scheme assets	(19,000)	9,000

The actual return on scheme assets was £26,000 (2014: £11,000)

26. Related party transactions

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

	2015 £	2014 £
Grant income received in the period	-	88,325

27. Members liability

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