

St Edward's Church of England Academy Trust, Leek

Trustees Report and Financial Statements

For the year ended 31 August 2016

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 2016

Members

Church of England Central Education Trust
Lichfield Diocesan Board of Education
Rev N Irons
Mrs C Simmonds

Trustees

Mr J Morton
Rev L Price (resigned 2 March 2016)
Rev N Irons¹
Mrs E Clarke, Principal and Accounting Officer¹
Mr C Abell, Staff Trustee (resigned 26 September 2015)
Mrs R Bell
Mrs M Collier, Staff Trustee
Mrs C Hall, Staff Trustee
Mrs P Handforth, Staff Trustee (resigned 27 September 2016)
Mr C Hesketh (resigned 12 November 2015)
Dr G Lewis
Mr F Murray
Mrs D Potts¹
Miss E Priestman
Mr G Torr¹
Mrs B Tunnicliffe
Mrs C Simmonds, Chair of Trustees¹
Mr D Forbes (appointed 22 March 2016)
Mr A Peter (appointed 15 November 2016)
Mr C Goodwin (appointed 15 November 2016)

¹ Members of the Finance and HR Committee

Company registered number

08316327

Company name

St Edward's Church Of England Academy Trust, Leek

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

St Edward's Church of England Academy Trust, Leek
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Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2016

Advisers (continued)

Independent auditors

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

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
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Trustees' Report
For the year ended 31 August 2016

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 purpose of company law) present their annual report together with the financial statements and auditor's reports of St Edward's Church of England Academy Trust (St Edward's Academy) for the period September 2015 to 31 August 2016. 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 728 for July 2016 rising to 752 for September 2016.

Structure, governance and management

Constitution

The St Edward's Church of England Academy Trust, Leek is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of St Edward's Church of England Academy Trust, Leek are also the directors of the charitable company for the purposes of company law.

The charitable company is known as St Edward's Church of England Academy Trust, Leek.

Details of the Trustees who served during the year 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 Governors 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

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

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

- (a) The Incumbent who shall be a Governor ex officio;
- (b) Two individuals to be appointed by the incumbent in his or her capacity as Members in consultation with the Parochial Church Council of the Parish of Leek and Meerbrook;
- (c) Eight individuals to be appointed by the Lichfield Diocesan Academies Trust; and
- (d) Lichfield Diocesan Academies Trust may not appoint an employee of the Academy Trust as a Governor if the number of Governors who are employed by the Academy Trust (including the Principal) would thereby exceed one third of the total number of Governors.

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

Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor 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 Governors, including any questions of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governor which is contested shall be held by secret ballot. The arrangements made for the election of Parent Governor 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 Governor 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 Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies. In appointing a Parent Governor 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 Governors

During the year under review the Academy the Full Governing Body held 7 meetings and there were 3 meetings of its various committees. The training and induction provided for new Governors will depend on their existing experience. Diocesan governors 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 governors. A skills audit was again 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 governor. Some training this year has been attended by governors to develop their roles. Where necessary, an induction will provide training on charity and educational, legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors 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 Governors. A web area in the Learning Platform exists solely for the purpose of the governors 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. Free training provided by the government has been available at the Academy in January 2016 and was accessed by 10 governors and shared by the attendees. Chairs of Governors also share with local governors from other schools in the LEP (Leek Education Partnership) their ideas and mutual purposes. An Action Plan for governors includes training provision.

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 such 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

The day to day management of the Academy lies with the Principal and Leadership team. The role of Accounting Officer lies with the Principal. Financial decisions are reviewed by the HR and Finance committee.

Arrangements for setting pay and remuneration of key management personnel

Salary for the Principal is set by the Principal's Pay committee (a group of 3 Trustees) which in conjunction with an external advisor reviews the objectives and targets set for the previous year and salary for the coming year based on this review. The recommendation is then made to the Finance Committee who are able to accept or reject the outcome. The leadership team and all other staff have a set of targets that are set in the beginning of the school year related to the School Development Plan. The success of these if measured by the Principal but there is a sample reporting as with all staff to the Governors Pay and Remunerations committee for checking with the governors. The final approval again must go through the Finance and HR Committee.

The Trustees have no remuneration other than the expenses claimed for travel. These expenses are scrutinised with all auditing and account monitoring using the scheme of delegation.

Related Parties and other Connected Charities and Organisations

The Academy is linked with Church of England Central Education Trust (CECET) and also with the Parents and Friends of St Edwards. CECET offers SLA options and support through and SLA for the church and spiritual function of the Academy. The PFA raise funds through charitable activities on the school premises to support the work within the school for added items for department budgets and also to subsidise trips for pupils. The school operates an Educational partnership with 17 other schools with a financial commitment of a £4 per head commitment. This allows for shared teaching and learning activities and work on unifying teaching across all school in the Partnership. A collaboration agreement exists with the Talentum Learning Trust but this involves only shared support and no exchange of monies. However contract negotiation has taken place to share and reduce costs. Work has been commissioned from 'Integrate' a company connected with one of the governors as reported where the work commissioned is by the sister of a governor who is also an associate of the same company however no work was started in the year ending 31 August 2016.

Objectives and Activities

Objects and aims

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 is reflected 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. 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 governors 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, strategies and activities

Learning and Achievement

- Progress for target groups and those making limited progress in Key Stage 2 maths / English
- Reduction in the attainment gap between Pupil Premium pupils and Non pupil premium pupils
- Implement the new Assessment procedure for the LEP in line with the New Curriculum
- Ensure the move to outstanding teaching to reflect the progress of pupils within individual lessons
- Extend collaboration between teams to ensure optimum teaching and learning
- Embed and evaluate the New Curriculum to enhance teaching and learning
- To raise standards of cross curricular literacy and numeracy by shared approaches
- Develop the use of modern technologies to enhance learning

For the above strategies strict tracking of pupils using dedicated software has been used with external verification of results using online tools. Work with other schools has secured a new assessment scheme that is shared by all schools to ensure continuity of education. This is being refined based on the outcomes and evaluation within the system. In depth training has taken place for staff with regard to numeracy and literacy improvement across the school for all subjects and departments have supported one another with this. There has been a wide uptake of the use of iPads to support learning measured by the roll out programme and shared learning for this.

Student Welfare

- Secure the role of the LSC in the social, emotional and learning development of the pupils
- Develop the targets from the SIAMs inspection process with regard to pupils' welfare
- Continue to improve communication and engagement of current and prospective parents with focused learning opportunities

The Learning Support centre has been used widely by pupils with emotional and social issues and uptake has been good. The absence of a member of staff for 5 months has impacted on some of the work and its effectiveness. This member of staff has now been replaced. Several opportunities have been provided for parent working with school both for Maths, English, cyber safety, growth mindset and discussion on assessment changes.

Leadership and Management

- Building links within and across the Community of Leek schools
- Developing staff to ensure succession planning
- Secure the development of the monitoring work of the governing body within the Academy
- Support and work with CECET to develop the role of Christian education within the area

The governing body have updated and adapted their monitoring plan for work with the school. They have created smart link governors and tried to look at closer focus and relationship with differing functions in the academy in order to assess progress. Links with other schools have been enhanced working through the LEP with assessment and the New Curriculum. The governing body have looked at MAT formation during the year and compiled reports but decided not to proceed with the process for this financial year. Staff have engaged with training in relation to their appraisal with significant support for SLT and middle management. A programme has been started with the High school for support and exchange.

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Finance and Human Resources

- Obtaining Best Value as an academy
- Explore independent financial initiatives with local schools to ensure best value

The Academy continues to seek best value with more contacts being awarded to differing firms in an attempt to build a culture of seeking new and more competitive, yet best value services. The payroll and other key services will migrate for the coming year. Shared training costs with local schools continue to give best value.

Public benefit

The Governors have complied with the duty in section 4 of the Charities Act 2006 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 is 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 Charitable contributions have included; Fair trade sales £335, Macmillan Cancer Care £450, Lucas Brian Tumour Trust £3,217, Dove House Hospice £140, Blue Cross £32 and £11 Red Cross.

Trustees' Report (continued)
For the year ended 31 August 2016

Strategic Report

Achievements and performance

The Academy has been in place since January 2013. Total students in the year ended August 2016 were 728 this is slightly down on the previous year with a smaller Year 5 intake. Over the year additional pupils have been acquired and for next year the number will be 752 only one-year group will have places. There have been appeals for the three oversubscribed years.

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 Achievement	
<ul style="list-style-type: none"> Progress for target groups and those making limited progress in Key Stage 2 maths / English. 	<p>Progress was made by most of the pupils at KS2 in English. The number of pupils meeting the standard for Reading was 70.1% compared to 66 National%. The writing was 69.1% compared with the national 74% (the school was moderated for this). The maths was 63% compared with national of 70%. The progress pupils made in their teacher assessments was good and significantly higher in maths.</p>
<ul style="list-style-type: none"> Reduction in the attainment gap between Pupil Premium pupils and Non pupil premium pupils 	<p>The gap in the PP and non PP (Disadvantaged and non disadvantaged) gap has reduced by the end of Year 8 for pupils but still exists and is still an area of focus for the Academy</p>
<ul style="list-style-type: none"> Implement the new Assessment procedure for the LEP in line with the New Curriculum 	<p>The new assessment procedures are in place and under review to compare them with the new standardised scores. This is ongoing with the LEP to share common good practice.</p>
<ul style="list-style-type: none"> Ensure the move to outstanding teaching to reflect the progress of pupils within individual lessons 	<p>Teaching level shows that 95% teaching was good or outstanding. The relationship of progress to appraisal lies within the % progress of targeted classes for staff</p>
<ul style="list-style-type: none"> Extend collaboration between teams to ensure optimum teaching and learning 	
<ul style="list-style-type: none"> Embed and evaluate the New Curriculum to enhance Teaching and Learning 	<p>Teaching and learning group have developed several new initiatives for the Academy. Staff have worked with other schools to run a new assessment system which has been designed for all 17 schools within the Leek Education Partnership to show progression and flight path development for all pupils. Evaluations are ongoing. Liaison continues with both first and high school groups of teacher meetings</p>
<ul style="list-style-type: none"> To raise standards of cross curricular literacy and numeracy by shared approaches 	<p>Enhanced training delivered by maths and English staff to raise skills of staff in delivering English across the Academy supported the improvement in writing for target pupils and led to improvement in Reading</p>
<ul style="list-style-type: none"> Develop the use of modern technologies to enhance learning 	<p>I pad use has increased across the school along with the building of new website (yet to be launched and the transfer of materials to this).</p>

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<p>Student Welfare</p> <ul style="list-style-type: none"> Secure the role of the LSC in the social, emotional and learning development of the pupils Develop the targets from the SIAMs inspection process with regard to pupils' welfare Continue to improve communication and engagement of current and prospective parents with focused learning opportunities 	<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. Absence of staff has had impact on the centre.</p> <p>Pupils have had greater input into worship and opportunities for spirituality within the curriculum with school and with outside agencies</p> <p>New Academy Facebook page used to develop links with parents also with text, newsletter and blog. Some parental learning on offer regarding IT, growth mindset, assessment. Maths lesson for Year 5 and reading materiel support for KS2.</p> <p>Large % of parents now contacted by email for all instances of communication. Feedback more positive. Further development of courses and opportunities in 2016-2017</p>
<p>Leadership and Management</p> <ul style="list-style-type: none"> Building links within and across the Community of Leek schools Developing staff to ensure succession planning Secure the development of the monitoring work of the governing body within the Academy Support and work with CECET to develop the role of Christian education within the area 	<p>Shared opportunities for using staff across schools to look at how the assessment system varies and the new curriculum plans. Further to be developed for 2016-2017 with more detailed High school linking. Shared work on identification of families in need as part of working party. Links reman with Local Teaching Alliance and Regional History advisor</p> <p>Staff changing of responsibility areas for senior leaders to broaden experience. Attendance on external training for national initiatives on PP and MAT development.</p> <p>Governing body development plan changed to accommodate changing needs of the academy. Attempt to adopt strategic working with Smart governor linking. Governors linked to only one committee. Chair and Vice Chair group with other LEP schools ceased.</p> <p>Work to look at and investigate partnership with other church schools with regard to MAT. Several meetings attended. Report compiled but decision taken to wait on further moves.</p>
<p>Financial and Human Resources</p> <ul style="list-style-type: none"> Obtaining Best Value as an academy Explore independent financial initiatives with local schools to ensure best value 	<p>There has been a further reduction in the number of SLAs held with the LA as alternative providers are sought using the best value guide. Catering from a different company is in place for this year. Comparative quotes obtained for key contracts and in house services used to provide materials and building modifications to secure best value.</p> <p>Comparison contact submissions heard with adjacent MAT school for HR and for Educational welfare work. Both not accepted owing to best value principles and in house solution.</p>

Trustees' Report (continued)

For the year ended 31 August 2016

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 previous 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.
- ◆ Governors 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 Teaching and Learning group 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, in June 2015 the school 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.

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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'.

Attendance for pupils this year is 96.22%. This shows a positive impact of attendance work. Exclusions involved 12 pupils some incidents related to the strict rule on the prohibitive use of mobile phone use within school for e safety.

Year 6 and 7 this year continues to be oversubscribed with a waiting list. The incoming year 4 is above PAN with appeals pending. Over time the Academy has remained within budget and used the resources to support improvements to the building. A further attempt to gain an additional grant for the renewal of a roof was successful and this has already been completed, however the application to obtain a grant to renew the kitchen was narrowly turned down.

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 Year standard by the end of the year 8 is good. Results in Year 8 with the previously shortened KS3 compare favourably with pupils in Year 9. Changes to the syllabus this year have made comparisons difficult. External tests are set to verify and support assessment.

Year 8 TA

Reading	Mastery	Securing	Developing	Entering	Below ARE
Whole school	21.6%	47.4%	19.3%	5.3%	6.4%
Writing	Mastery	Securing	Developing	Entering	Below ARE
Whole school	7.6%	56.1%	21.1%	8.8%	6.4%
Maths	Mastery	Securing	Developing	Entering	Below ARE
Whole school	17.0%	57.9%	11.1%	2.3%	11.7%

In external marked tests

Reading – GL assessment	91% met standard for Year 8	Level 5 or above previous equivalent
Writing- GL assessment	93% met standards	Level 5 or above previous equivalent
Maths GL assessment	85% met standards (half only)	Level 5 or above previous equivalent

2016 KS2 results in English and Maths

		Reading	SPAG	Maths		Writing TA (moderated)
Expected standard						
	No. of pupils	136	134	122		134
School	Percentage	70%	69%	63%		69%
National		66%	72%	70%		74%

Trustees' Report (continued)
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Progress shows that English Reading exceeds the national figure after much work on this in the school. The writing was moderated and this was very accurate. As this is the first year for all schools with the differing writing assessment procedures there are widely differing scores on this as it is Teacher Assessed. The maths was disappointing given the level of work done towards this across the school. The syllabus for each year group has already been re written yet again to accommodate the changes to the exams which are significantly different from the papers set as preliminary examples. Progress at the end of Year 8 shows clearly that pupils make good progress across the 4 years from entry to exit.

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 external 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 create an externally moderated baseline for English and Maths. Moderation of work also takes place across the LEP partnership of schools and additionally this year a new whole regional assessment scheme is operating with all schools to ensure quality and progression from 0-19. This is constantly being reviewed and modified as KS2 and KS1 changes have occurred throughout 2015-2016.

The Academy has maintained the International Schools Award full status holding this for the fourth period of succession. The Academy are the District netball champions for the Year 7 & 8 girls

- U13 girls Rugby team reached the Regional West Midlands Final. They finished 11th in the Country. The Year Five and Six swimming team at St Edward's Academy in Leek were top of the Staffs Moorlands Swimming Gala. They came first overall at the contest with the St Edward's Year Seven and Eight team finishing second overall.

Meanwhile, the St Edward's Year Eight boys' rugby team are the District Champions of the Rugby Tournament for the second year running. The Year Seven boys, with a team mostly of Year Six pupils, also won all their games and, with it, the Year Seven tournament too. In Cross Country, runners from St Edward's Academy represented the Staffordshire Moorlands in the Staffordshire Schools Cross Country Championships at Staffordshire University. In the Cross Country league this year the Year Five, Six and Seven team at St Edward's came out as champions after winning every league meeting. 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.

Pupils were Winners of Year 7 & 8 District Athletics leagues. The Year 8 boy's tennis team were top of North Staffordshire League and won the Staffordshire final.

The Year 8 team with two former pupils from Westwood College reached the London Final of the United Kingdom Maths Trust Maths Challenge. The school were 11 th in the ECF National Junior chess finals. ECF events were held in school as the school is recognised for the work that it is doing to promote chess. Two pupils have been selected to trial for the England National Team. Pupils represented North Staffordshire at the Ryman Enterprise Challenge held in Doncaster for schools across the Country. Maths Challenge team won through to the Maths Finals held on London. The academy came 2nd in the Salter Chemistry Festival held at Keele University and were winner of the SEN category for a further day. They competed in the STEM challenge Day also at Keele University. The Academy reached the Regional Final of the Rotary Young Chef Competition. Four pupils were nominated and received Young Citizenship Awards from the Rotary Club for their commitment to community charity fundraising.

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For the year ended 31 August 2016

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 2015- to 2016 to the EFA.
- the annual Financial Management and Governance Evaluation
- Health Audit Checks

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 2016.

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 2016 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 Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), 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.

A grant was obtained from the CIF for roofing improvements.

During the year ended 31 August 2016, total expenditure of £3,321,597 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 and actuarial losses on the pension scheme) was £96,853.

At 31 August 2016 the net book value of fixed assets was £1,370,781 and movements in tangible fixed assets are shown in note 12 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 increase the 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 above plan for the entry year group unlike last year and projected figures for the future are good. Currently Years 5, 7 and 8 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. This is designed to make up speedily the gaps in pupil knowledge that now exists owing to the change to the new syllabus. The key objectives are to raise the outcomes for all pupils and in particular those pupils 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.

Financial position

Capital projects this year have included the replacement of another large flat roof area on the main building and along by the science labs. This also included new windows and skylight for this area. A grant from the CIF was obtained for £90,150 to support the money given by the Academy (2015-2016). Financial efficiencies have had to be made with regard to the large reduction in the ESG that the academy receives (£140 reduced to £87 (2015-2016) and a further reduction in 2016-2017 to £77). Further capital work has been carried on in the library to enhance this space and further develop a culture of reading.

The changed Lettings policy has continued to secure a better income from lettings of the buildings this year. Income from letting has increased from £10,761 to £11,943.

The Academy held fund balances at 31 August 2016 of £932,588 comprising £592,995 of general restricted funds, £1,426,980 of restricted fixed assets fund, £322,613 of unrestricted general funds and a pension reserve deficit of £1,410,000.

Reserves policy

The Governors 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 Governors 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 £322,613 which is for future planned projects. One project may involve the enhancement of the external façade and interior of the LSC. The Academy intends to continue building up free reserves to the level needed to undertake building development and refurbishment however this year some of the reserves have been needed to set the budget owing to the slightly reduced numbers last year, the escalation in pension and national insurance contributions and the 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 again seek additional funding through outside grant agencies to try and further develop streams of income and a grant has been sought from the Lottery Fund for outdoor work and related educational activities.

The Academy held fund balances at 31 August 2016 of £932,588 comprising £592,995 of general restricted funds, £1,426,980 of restricted fixed assets fund, £322,613 of unrestricted general funds and a pension reserve deficit of £1,410,000.

Investment policy

Investments are made in compliance with the Academy's Investment Policy. The Directors 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 Governors 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 Governors 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

Trustees' Report (continued)
For the year ended 31 August 2016

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.

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

Trustees' Report (continued)
For the year ended 31 August 2016

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 2015-2016, 94% 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 two grants from the CIF and was successful with one of these this year. A grant application has also been submitted to Awards for All.

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 102. This has reduced risk since the government directive to support the pooling of risk with Local Authorities for the Academy. The amount however continues to rise.

Trustees' Report (continued)
For the year ended 31 August 2016

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 the only vacant year where possible. The Academy continues to aim to provide the opportunity for local groups to use our facilities as a community resource eg drama and dance activities. To achieve this we have an active policy to encourage 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 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 groups including other schools.

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 has renewed its collaboration agreement with the adjacent MAT. Further investigation of the role of the Academy within a MAT will be reinstated by the governors for 2016-2017 although this was rejected in March. The resignation of the Principal has determined the governor recruitment panel to employ a recruitment consultancy to assist in the search for a suitable candidate. There will be a transfer of leadership at the end of December 2016.

Funds Held as Custodian Trustee on Behalf of Others

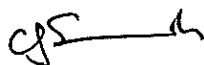
No funds are held as custodian on behalf of others.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' 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 a strategic report was approved by order of the board of trustees as the company directors, on 13 December 2016 and signed on its behalf by:



Mrs C Simmonds
Chair of Trustees

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

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 Statement of Trustees' responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Morton	6	7
Rev L Price	2	4
Rev N Irons	6	7
Mrs E Clarke, Principal and Accounting Officer	7	7
Mr C Abell, Staff Trustee	0	1
Mrs R Bell	7	7
Mrs M Collier, Staff Trustee	6	7
Mrs C Hall, Staff Trustee	7	7
Mrs P Handforth, Staff Trustee	7	7
Mr C Hesketh	0	1
Dr G Lewis	7	7
Mr F Murray	4	7
Mrs D Potts	6	7
Miss E Priestman	4	7
Mr G Torr	5	7
Mrs B Tunnicliffe	4	7
Mrs C Simmonds, Chair of Trustees	7	7
Mr D Forbes	4	4

There have been changes to the governors since September 2015. Three governors have resigned. One parent governor has been added. There have been no major challenges for the Board, only seeking to recruit a new Principal. The bid for this year for one CIF grant was successful. The Ofsted criteria were met by the governors in the past 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. They have also conducted numerous interviews to support their monitoring. Ofsted, an external body, reviewed documentation from the governors during the inspection. Extract from report relating to governance. (2014)

Governance Statement (continued)

'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. 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. '

This year the governors conducted 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. Additional work will be facilitated on the workings of governance for the coming year. A new Principal will make this an essential part of their new role.

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
Mrs D Potts, Chair	3	3
Mrs E Clarke, Principal and Accounting Officer	2	3
Mr G Torr	2	3
Rev N Irons	3	3
Mrs C Simmonds	3	3

Governance Statement (continued)

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 by applying best value;

Governors and management will apply 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

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 and external audit review
- 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 and HR Committee of budgetary reports which indicate financial performance against forecasts and purchasing plans, capital works and expenditure programmes, clearly defined purchasing policies and procedures and identification and management of risks

Governance Statement (continued)

Specific examples of value for money changes include:

- Focus on use of external testing to verify the entry and exit points for pupils with regard to English and maths in addition to 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 some external services.
- SLE for maths has generated both new ideas and supported the Academy though networking but also has earned additional income for the Academy. Money earned has been spent on additional educational resources.
- The move to Partnership Status with MMU supporting trainee teachers has generated income and also valuable new ideas and learning for both new students and existing staff. Existing staff have benefitted personally from self developmental and sharing with university tutors
- Better purchasing; shared listening to contractors for contracts for 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.
- Consistent use and negotiation with the same internet provider system has resulted in reduced costs from the current internet provider resulting in large savings to the Academy
- Time support for middle leader member of staff to provide shared EWO linkages has resulted in improvement in attendance and parental links with the school regarding this topic without recourse to additional external provider or enhanced casework charges from LA.
- The Academy continues to generate income from the use of solar panels and lettings.

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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Governance Statement (continued)

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 not to appoint an internal auditors. However the trustees have appointed Dains LLP, the external auditors, to perform additional checks. The external auditor's 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 include.

- ◆ testing of payroll systems
- ◆ testing of purchase system
- ◆ testing of income findings
- ◆ testing of the Accounting system

The above audit checks are carried out each term by external auditors as internal checks:

On a termly basis, the auditor reports to the board of trustees, through the Finance and HR Committee on the operation of the systems of control and on the discharge of the board of Trustees Financial Responsibilities. The auditors found the following:

No recommendations were found throughout the year other than:

Purchasing – In instances where a purchase order is not practical, e.g. telephone orders, written confirmation of an order should be obtained from an appropriate member of staff as per the financial procedure manual.

The financial procedures manual should be updated to make it clear and include details of instances when a purchase order is not necessary.

Purchase findings - Ensure all invoices have been authorised by a relevant person before payment is made.

Income findings - It is recommended that a record of all cash receipts is kept in order that cash banked can be reconciled to cash received.

Payroll recommendations - Ensure that mileage expense claims are supported by a valid VAT receipt as stated in the financial policy and procedures manual to support VAT reclaims.

Purchase findings - Ensure all invoices have been authorised by a relevant person before payment is made.

Governance Statement (continued)

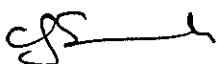
Review of Effectiveness

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 13 December 2016 and signed on their 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 trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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: 13 December 2016

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

Statement of Trustees' Responsibilities
For the year ended 31 August 2016

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 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:

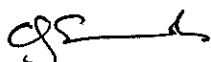
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:



Mrs C Simmonds
Chair of Trustees

Date: 13 December 2016

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

Independent Auditors' Report on the Financial Statements 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 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the 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 Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

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

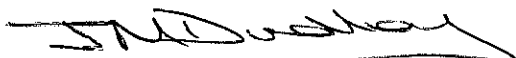
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



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: 16 December 2016

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 1 November 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Edward's Church of England Academy Trust, Leek during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Edward's Church of England Academy Trust, Leek and the 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 the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Edward's Church of England Academy Trust, Leek and the 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 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

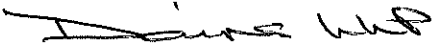
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

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

Conclusion

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



Dains LLP

Statutory Auditor
Chartered Accountants

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

Date: 16 December 2016

St Edward's Church of England Academy Trust, Leek

(A company limited by guarantee)

Statement of Financial Activities Incorporating Income and Expenditure Account
For the year ended 31 August 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from:						
Donations and capital grants	2	43,696	-	110,630	154,326	138,261
Charitable activities	3	-	3,252,291	-	3,252,291	3,212,754
Other trading activities	4	53,791	4,216	-	58,007	58,278
Investments	5	1,159	-	-	1,159	896
Total income		98,646	3,256,507	110,630	3,465,783	3,410,189
Expenditure on:						
Raising funds		16,175	-	-	16,175	1,992
Charitable activities		70,563	3,166,313	68,546	3,305,422	3,212,810
Total expenditure	6	86,738	3,166,313	68,546	3,321,597	3,214,802
Net income before transfers		11,908	90,194	42,084	144,186	195,387
Transfers between Funds	15	(1,640)	(3,609)	5,249	-	-
Net income before other gains and losses		10,268	86,585	47,333	144,186	195,387
Actuarial gains/(losses) on defined benefit pension schemes	21	-	(121,000)	-	(121,000)	20,000
Net movement in funds		10,268	(34,415)	47,333	23,186	215,387
Reconciliation of funds:						
Total funds brought forward		312,345	(782,590)	1,379,647	909,402	694,015
Total funds carried forward		322,613	(817,005)	1,426,980	932,588	909,402

All activities relate to continuing operations.

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

The notes on pages 36 to 56 form part of these financial statements.

St Edward's Church of England Academy Trust, Leek

(A company limited by guarantee)

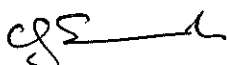
Registered number: 08316327

Balance Sheet

As at 31 August 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	12		1,370,781		1,354,661
Current assets					
Debtors	13	100,416		147,892	
Cash at bank and in hand		1,121,366		910,763	
			<u>1,221,782</u>	<u>1,058,655</u>	
Creditors: amounts falling due within one year	14	(249,975)		(298,914)	
Net current assets			<u>971,807</u>		<u>759,741</u>
Total assets less current liabilities			<u>2,342,588</u>		<u>2,114,402</u>
Defined benefit pension scheme liability	21		(1,410,000)		(1,205,000)
Net assets including pension scheme liabilities			<u><u>932,588</u></u>		<u><u>909,402</u></u>
Funds of the academy					
Restricted funds:					
Restricted funds	15	592,995		422,410	
Restricted fixed asset funds	15	1,426,980		1,379,647	
			<u>2,019,975</u>	<u>1,802,057</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,410,000)		(1,205,000)	
			<u>609,975</u>	<u>597,057</u>	
Total restricted funds			<u>609,975</u>		<u>597,057</u>
Unrestricted funds	15		<u>322,613</u>		<u>312,345</u>
Total funds			<u><u>932,588</u></u>		<u><u>909,402</u></u>

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



Mrs C Simmonds
Chair Of Trustees

The notes on pages 36 to 56 form part of these financial statements.

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

Statement of Cash Flows
For the year ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>183,480</u>	<u>265,032</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,159	896
Proceeds from the sale of tangible fixed assets		5,107	-
Purchase of tangible fixed assets		(89,773)	(148,321)
Capital grants from DfE/EFA & LA		110,630	65,725
Net cash provided by/(used in) investing activities		<u>27,123</u>	<u>(81,700)</u>
Change in cash and cash equivalents in the year		210,603	183,332
Cash and cash equivalents brought forward		<u>910,763</u>	<u>727,431</u>
Cash and cash equivalents carried forward	18	<u><u>1,121,366</u></u>	<u><u>910,763</u></u>

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

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

St Edward's Church of England Academy Trust, Leek constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

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

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

Reconciliations to previous UK GAAP for the comparative figures are included in note 24.

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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1. Accounting Policies (continued)

1.3 Income

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

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

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

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

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

1.4 Expenditure

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1. Accounting Policies (continued)

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 incorporating income and expenditure account.

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

Leasehold land	-	Over the term of the lease
Leasehold building improvements	-	10% straight line
Fixtures and fittings	-	20% straight line
Assets under construction	-	No depreciation charged
Computer equipment	-	33% straight line

1.6 Interest receivable

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

1.7 Debtors

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

1.8 Cash at Bank and in hand

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

1. Accounting Policies (continued)

1.9 Liabilities and provisions

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

1.10 Financial instruments

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

1. Accounting Policies (continued)

1.11 Operating leases

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

1.12 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.

1.13 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 quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1. Accounting Policies (continued)

1.14 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 the Department for Education where the asset acquired or created is held for a specific purpose.

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

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Land and buildings

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.

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 2016

2. Income from donations and capital grants

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	42,756	-	-	42,756	9,895
Legacies	940	-	-	940	62,641
Capital grants	-	-	110,630	110,630	65,725
	<u>43,696</u>	<u>-</u>	<u>110,630</u>	<u>154,326</u>	<u>138,261</u>

In 2015, of the total income from donations and capital grants, £69,633 was to unrestricted funds, £2,903 was to restricted funds and £65,725 was to restricted fixed asset funds.

3. Funding for Academy's educational operations

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General annual grant	-	2,933,967	2,933,967	2,878,823
Pupil Premium	-	148,395	148,395	145,737
PE teaching grant	-	9,925	9,925	9,805
Y7 Catch up grant	-	19,500	19,500	13,501
	<u>-</u>	<u>3,111,787</u>	<u>3,111,787</u>	<u>3,047,866</u>
Other government grants				
Special educational needs	-	21,881	21,881	20,191
LA pupil premium	-	9,928	9,928	6,800
	<u>-</u>	<u>31,809</u>	<u>31,809</u>	<u>26,991</u>
Other funding				
Music tuition fees, revision guides and other	-	7,121	7,121	5,347
Trip income	-	81,670	81,670	111,884
Outdoor Education income	-	19,904	19,904	20,666
	<u>-</u>	<u>108,695</u>	<u>108,695</u>	<u>137,897</u>
	<u>-</u>	<u>3,252,291</u>	<u>3,252,291</u>	<u>3,212,754</u>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £3,212,754 was to restricted funds.

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 2016

4. Other trading activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	11,943	-	11,943	10,761
Catering surplus	40	-	40	23
Solar panel income	6,855	1,000	7,855	15,552
Sale of other goods and services	1,673	3,216	4,889	5,770
Staff insurance income	31,905	-	31,905	24,296
Staff services income	1,375	-	1,375	1,876
	<u>53,791</u>	<u>4,216</u>	<u>58,007</u>	<u>58,278</u>

In 2015, of the total income from other trading activities, £56,841 was to unrestricted funds and £1,437 was to restricted funds.

5. Investment income

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	1,159	-	1,159	896
	<u>1,159</u>	<u>-</u>	<u>1,159</u>	<u>896</u>

In 2015, of the total investment income, £ 896 was to unrestricted funds and £ NIL was to restricted funds.

6. Expenditure

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on fundraising trading	564	5,965	9,646	16,175	1,992
Educational operations:					
Direct costs	2,319,044	-	201,711	2,520,755	2,459,942
Support costs	267,581	164,790	352,296	784,667	752,868
	<u>2,587,189</u>	<u>170,755</u>	<u>563,653</u>	<u>3,321,597</u>	<u>3,214,802</u>

In 2016, of the total expenditure, £86,738 (2015 - £46,820) was to unrestricted funds, £3,166,313 (2015 - £3,120,657) was to restricted funds and £68,546 (2015 - £48,325) was to restricted fixed asset funds.

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 2016

7. Charitable activities

	Total funds 2016 £	Total funds 2015 £
Direct costs - educational operations		
Wages and salaries	1,823,661	1,788,664
National insurance	155,430	133,972
Pension cost	339,953	309,122
Educational supplies	69,801	69,620
Staff development	10,493	13,348
Pupil transport	7,973	11,887
Educational trips	113,444	133,329
	<u>2,520,755</u>	<u>2,459,942</u>
Support costs - educational operations		
Wages and salaries	224,461	211,989
National insurance	10,752	8,988
Pension cost	32,368	29,820
Depreciation	68,546	48,325
LGPS finance cost	47,000	43,000
Professional services	48,023	57,887
Recruitment and support	14,100	1,334
Maintenance of premises and equipment	81,065	72,197
Cleaning	69,686	64,416
Printing, stationery and postage	15,070	11,571
Rates	11,377	10,742
Water rates	6,409	7,220
Energy	46,170	46,184
Insurance	57,331	66,533
Governance costs	15,890	9,528
Technology	5,457	2,696
Other support costs	15,919	42,304
Catering	15,043	18,133
	<u>784,667</u>	<u>752,867</u>
	<u><u>3,305,422</u></u>	<u><u>3,212,809</u></u>

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8. Net incoming resources

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	68,546	48,327
Auditors' remuneration - audit	6,400	6,230
Auditors' remuneration - other services	2,500	2,065
Operating leases	4,311	4,311
	<u> </u>	<u> </u>

9. Staff costs

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,973,919	1,957,964
Social security costs	166,184	142,960
Operating costs of defined benefit pension schemes	372,325	338,942
	<u> </u>	<u> </u>
Supply teacher costs	74,761	42,689
	<u>2,512,428</u>	<u>2,439,866</u>
	<u> </u>	<u> </u>
	<u>2,587,189</u>	<u>2,482,555</u>

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

	2016 No.	2015 No.
Teaching	34	36
Support staff	45	49
Management	6	6
	<u> </u>	<u> </u>
	<u>85</u>	<u>91</u>

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

	2016 No.	2015 No.
In the band £70,001 - £80,000	1	1

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £465,986 (2015 - £486,227).

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10. 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:

		2016	2015
		£	£
Mrs E Clarke, Principal	Remuneration	70,000-75,000	70,000-75,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Mrs P Handforth, Staff Trustee	Remuneration	40,000-45,000	40,000-45,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Mr C Abell, Staff Trustee	Remuneration	0-5,000	40,000-45,000
	Pension contributions paid	0-5,000	5,000-10,000
Mrs M Collier, Staff Trustee	Remuneration	15,000-20,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000
Mrs C Hall, Staff Trustee	Remuneration	5,000-10,000	0-5,000
	Pension contributions paid	0-5,000	0-5,000

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year ended 31 August 2016, expenses totalling £148 (2015 - £NIL) were reimbursed to 2 Trustees (2015 - NIL).

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £990 (2015 - £905).

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12. Tangible fixed assets

	Leasehold land £	Leasehold building improve- ments £	Fixtures and fittings £	Assets under construc- tion £	Computer equipment £	Total £
Cost						
At 1 September 2015	1,152,977	125,218	78,425	-	88,375	1,444,995
Additions	-	16,958	1,940	70,875	-	89,773
Disposals	-	-	-	-	(5,107)	(5,107)
At 31 August 2016	<u>1,152,977</u>	<u>142,176</u>	<u>80,365</u>	<u>70,875</u>	<u>83,268</u>	<u>1,529,661</u>
Depreciation						
At 1 September 2015	18,448	509	34,817	-	36,560	90,334
Charge for the year	9,224	14,218	16,073	-	29,031	68,546
At 31 August 2016	<u>27,672</u>	<u>14,727</u>	<u>50,890</u>	<u>-</u>	<u>65,591</u>	<u>158,880</u>
Net book value						
At 31 August 2016	<u>1,125,305</u>	<u>127,449</u>	<u>29,475</u>	<u>70,875</u>	<u>17,677</u>	<u>1,370,781</u>
At 31 August 2015	<u>1,134,529</u>	<u>124,709</u>	<u>43,608</u>	<u>-</u>	<u>51,815</u>	<u>1,354,661</u>

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

13. Debtors

	2016 £	2015 £
Trade debtors	760	1,047
Other debtors	1,803	486
Prepayments and accrued income	54,491	122,634
VAT recoverable	43,362	23,725
	<u>100,416</u>	<u>147,892</u>

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14. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	82,962	90,028
Other taxation and social security	45,651	40,805
Other creditors	42,556	38,039
Accruals and deferred income	78,806	130,042
	<u>249,975</u>	<u>298,914</u>
	<u><u>249,975</u></u>	<u><u>298,914</u></u>
	2016	2015
	£	£
Deferred income		
Deferred income at 1 September 2015	48,765	37,088
Resources deferred during the year	44,770	48,765
Amounts released from previous years	(48,765)	(37,088)
	<u>44,770</u>	<u>48,765</u>
	<u><u>44,770</u></u>	<u><u>48,765</u></u>

At the balance sheet date the academy was holding funds relating to grants for the 2016/17 academic year and trips taking place during the 2016/17 academic year.

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For the year ended 31 August 2016

15. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Fund	312,345	98,646	(86,738)	(1,640)	-	322,613
Restricted funds						
General Annual Grant (GAG)	285,837	2,933,967	(2,786,006)	(3,609)	-	430,189
Educational Trips	43,460	101,574	(113,444)	-	-	31,590
Pupil premium	57,308	148,395	(119,209)	-	-	86,494
PE Teaching Grant	3,973	9,925	(8,169)	-	-	5,729
Y7 Catch up Grant	31,396	19,500	(19,460)	-	-	31,436
Special Educational Needs Learning Resources	-	21,881	(21,881)	-	-	-
Other restricted income	436	4,216	(4,216)	-	-	436
Other government grants	-	9,928	(9,928)	-	-	-
Pension reserve	(1,205,000)	-	(84,000)	-	(121,000)	(1,410,000)
	<u>(782,590)</u>	<u>3,256,507</u>	<u>(3,166,313)</u>	<u>(3,609)</u>	<u>(121,000)</u>	<u>(817,005)</u>
Restricted fixed asset funds						
Transfer from legacy school	1,170,971	-	(24,025)	-	-	1,146,946
Capital expenditure from GAG and DfE revenue grants	57,323	-	(32,149)	3,609	-	28,783
DfE/EFA capital grants	86,213	106,022	(10,738)	-	-	181,497
Capital expenditure from unrestricted funds	65,140	-	(1,634)	1,640	-	65,146
Local authority capital grants	-	4,608	-	-	-	4,608
	<u>1,379,647</u>	<u>110,630</u>	<u>(68,546)</u>	<u>5,249</u>	<u>-</u>	<u>1,426,980</u>
Total restricted funds	<u>597,057</u>	<u>3,367,137</u>	<u>(3,234,859)</u>	<u>1,640</u>	<u>(121,000)</u>	<u>609,975</u>
Total of funds	<u>909,402</u>	<u>3,465,783</u>	<u>(3,321,597)</u>	<u>-</u>	<u>(121,000)</u>	<u>932,588</u>

Notes to the Financial Statements
For the year ended 31 August 2016

15. 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 2016.

16. Analysis of net assets between funds

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	1,370,781	1,370,781	1,354,663
Current assets	322,613	842,970	56,199	1,221,782	1,058,655
Creditors due within one year	-	(249,975)	-	(249,975)	(298,916)
Provisions for liabilities and charges	-	(1,410,000)	-	(1,410,000)	(1,205,000)
	<u>322,613</u>	<u>(817,005)</u>	<u>1,426,980</u>	<u>932,588</u>	<u>909,402</u>

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17. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	144,186	195,387
Adjustment for:		
Depreciation charges	68,546	48,327
Dividends, interest and rents from investments	(1,159)	(896)
Decrease/(increase) in debtors	56,926	(5,798)
(Decrease)/increase in creditors	(58,389)	4,737
Capital grants from DfE and other capital income	(110,630)	(65,725)
FRS 102 pension adjustments	84,000	89,000
Net cash provided by operating activities	183,480	265,032

18. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	1,121,366	910,763
Total	1,121,366	910,763

19. Members' liability

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

20. Capital commitments

At 31 August 2016 the academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	24,275	-

**Notes to the Financial Statements
For the year ended 31 August 2016**

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 Multi-employer defined benefit pension schemes.

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

Contributions amounting to £42,115 were payable to the schemes at 31 August 2016 (2015 - £38,039) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £240,000 (2015 - £210,000).

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

21. Pension commitments (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £112,000 (2015 - £110,000), of which employer's contributions totalled £86,000 (2015 - £84,000) and employees' contributions totalled £26,000 (2015 - £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.

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Rate of increase in salaries	2.50 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %
Inflation assumption (CPI)	3.00 %	2.00 %
Commutation of pensions to lump sums	75.00 %	75.00 %

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

	2016	2015
Retiring today		
Males	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	24.3	24.3
Females	26.6	26.6

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21. Pension commitments (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	689,000	497,000
Debt instruments	101,000	74,000
Property	73,000	60,000
Cash	55,000	40,000
	<u>918,000</u>	<u>671,000</u>
Total market value of assets	<u>918,000</u>	<u>671,000</u>

The actual return on scheme assets was £135,000 (2015 - £17,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(123,000)	(130,000)
Net interest cost	(47,000)	(43,000)
	<u>(170,000)</u>	<u>(173,000)</u>
Actual return on scheme assets	<u>135,000</u>	<u>17,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,876,000	1,687,000
Current service cost	123,000	130,000
Interest cost	74,000	65,000
Contributions by employees	26,000	26,000
Actuarial losses/(gains)	239,000	(25,000)
Benefits paid	(10,000)	(7,000)
	<u>2,328,000</u>	<u>1,876,000</u>
Closing defined benefit obligation	<u>2,328,000</u>	<u>1,876,000</u>

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21. Pension commitments (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	671,000	551,000
Interest income	27,000	22,000
Actuarial gains and (losses)	118,000	(5,000)
Contributions by employer	86,000	84,000
Contributions by employees	26,000	26,000
Benefits paid	(10,000)	(7,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	918,000	671,000
	<hr/> <hr/>	<hr/> <hr/>

22. Operating lease commitments

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	1,437	4,311
Between 1 and 5 years	-	1,437
	<hr/>	<hr/>
Total	1,437	5,748
	<hr/> <hr/>	<hr/> <hr/>

23. 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 the trust 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.

Lichfield Diocesan Board of Education a member of St Edward's Church of England Academy Trust, Leek:

- The Academy Trust purchase educational services from the Lichfield Diocesan Board of Education totalling £2,559 (2015 - £2,585) during the year. There were no amounts outstanding at 31 August 2016.
- The Academy Trust made the purchase at arms' length in accordance with its financial regulations. The service was not competitively tendered due to the specialist nature of the service provided.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2015.

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

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24. First time adoption of FRS 102

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

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

Reconciliation of total funds	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		694,015	909,402
Total funds reported under FRS 102		<u>694,015</u>	<u>909,402</u>
Reconciliation of net income	Notes		31 August 2015 £
Net income previously reported under UK GAAP			207,387
Change in recognition of LGPS interest cost	A		(12,000)
Net movement in funds reported under FRS 102			<u>195,387</u>

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

A Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expenditure. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the expense by £12,000 and increase the other recognised gains and losses in the SoFA by an equivalent amount.