

THE MOSSLEY ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016

Haines Watts

Chartered Accountants & Registered Auditors

Bridge House

157A Ashley Road

Hale

Altrincham

Cheshire

WA14 2UT

THE MOSSLEY ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 – 8
Governance statement	9 – 15
Statement on regularity, propriety and compliance	16
Statement of trustees' responsibilities	17
Independent auditor's report on the accounts	18 – 19
Independent reporting accountant's report on regularity	20 – 21
Statement of financial activities including income and expenditure account	22
Balance sheet	23
Statement of cash flows	24
Notes to the accounts including accounting policies	25 – 42

THE MOSSLEY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mrs M Anderson
Mrs S Aston
Mr N Barnes
Dr G Bould
Mrs L Dale (Resigned 5 October 2015)
Mrs D Dentith
Mrs H Harrison
Mr B Heades
Mr A Mitchell
Mrs R Simpson
Mr K Smith
Mr T Stone (Resigned 5 October 2015)
Revd Canon D Taylor
Mr E Whitehead
Mrs G Street
Mrs J Thomas (Appointed 5 November 2015)
Mrs S Mills (Appointed 5 October 2015)

Members

Mr A Mitchell
Mrs S Rhodes (Resigned 1 September 2015)
Mrs R Simpson
Canon J Turnbull
Mr E Whitehead

Senior management team

- Headteacher Mrs S Aston
- Deputy headteacher Mrs H Harrison
- Assistant headteacher Mrs L Swift
- SENCO Mrs M Schofield

Company registration number

09104491 (England and Wales)

Independent auditor

Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Bankers

Lloyds Bank plc
13 Victoria Street
Crewe
CW1 2JQ

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

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

The trust operates an academy for pupils aged 4 to 11 serving an area on the edge of the Cheshire market town of Congleton. It has a pupil capacity of 420 and had a roll of 407 in the school census on 2 October 2015.

Structure, governance and management

Constitution

The academy trust is a charitable company limited by guarantee (company number 09104491) and an exempt charity. The company was incorporated on 26 June 2014 and on 1 August 2014 converted to an academy. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Mossley Academy Trust are also directors of the charitable company for the purposes of company law. The charitable company is known as The Mossley Academy Trust.

Details of the trustees who served throughout the period are included in the reference and administrative details on page 1 together with its registered office address.

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 have ceased to be a member, such as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The academy trust has purchased insurance to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring while on academy trust business. The insurance provides cover up to £2,000,000 on any one claim.

Method of recruitment and appointment or election of trustees

There are 15 trustees (board of trustees) and there are 4 members. The board of trustees is responsible for appointing 3 members, the board of trustees has agreed that the chair of trustees, 2 chairs of committee (as voted by the board of trustees) and the Diocese representative is appointed by the Diocese.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All trustees are provided with relevant copies of policies, procedures, minutes, accounts, budgets, plans and any other documents that will support them in carrying out their role as trustees. As the appointment of trustees is not a regular i.e. annual appointment, induction will need to be by necessity, informal and tailored to the individual appointed.

Organisational structure

The structure of the academy consists of three levels: the members, the trustees (governors) and the senior leadership team (SLT).

The trustees are responsible for monitoring the general policy, reviewing the annual plan and budget. The members have delegated decision making to the board of trustees (governing body) and relevant committees and the SLT.

The trustees (governors) are responsible for the strategic leadership of the academy along with the SLT, approving the annual plan and budget. Monitoring the use of the budget and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

The SLT are the headteacher, the deputy headteacher, the assistant headteacher and the SENCO. The headteacher, who is the accounting officer, controls the academy at an executive level implementing policies agreed by the trustees and reporting back to them and is responsible for the authorisation of spending within the budget as laid down in the academy's Financial Manual. The SLT is responsible for the education and curriculum as taught across the school.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The members meet once a year in the autumn term of the academic year.

The board of trustees meet twice in every term of an academic year.

The SLT meet on a weekly basis.

Arrangements for setting pay and remuneration of key management personnel

The school use the School Teachers' Pay and Conditions Document (STPCD) to form the basis of Mossley's Pay Policy. Mossley purchases HR support from Cheshire East who produces a model pay policy incorporating the STPCD; Mossley adopts this policy making changes to fit the academy's senior management structure. This is reviewed annually and ratified by the resource and finance committee; then it is placed before the full governing board. Normal practice is to undertake this in the autumn term.

Related parties and other connected charities and organisations

The academy trust has a partnership agreement with the CECF (Congleton Education Community Partnership) which is a limited charitable company, renewable every three years. The headteachers of all Congleton schools are directors of this company and one trustee from each school sits on the board of trustees of this company. The partnership commissions services such as family support, play therapy and health and well-being. Groups such as deputies, NQT and RQT, early years, core curriculum, sports and SEND all add to the provision in all the schools.

Objectives and activities

Objectives and aims

Mission statement:

- To provide a firm Christian foundation.
- To maintain a happy, secure, harmonious community built on mutual respect and shared goals.
- To create an atmosphere of value and worth, developing confident people.
- To encourage a climate of self-motivation, discipline, responsibility and personal excellence.
- To develop an awareness and understanding of others, their religions, cultural and social characteristics, so that the children may become caring and tolerant members of society.

Vision statement:

Mossley Primary School is an inclusive community where all are safe, happy, valued and nurtured in a stimulating, motivating environment that challenges everyone and promotes a lifelong love of learning.

'Achieve Succeed Believe'

Objectives, strategies and activities

The main objectives of the academy during the year ending 31 August 2016 are summarised below:

Outcomes for pupils (including EYFS)

Priority 1

- (a) Through assessment, data collection, data analysis, standards meetings and intervention strategies children make at least good progress if not more, including groups identified in the school eg. SEND, Pupil Premium and the more able.
- (b) Through performance management, learning walks, book scrutinies and lesson observations and pupil and parental voice standards are seen to rise using 'lessons learned' to record findings and measure the impact.
- (c) Clear processes and procedures are in place to support, challenge and manage under performance.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Priority 2

- (a) To ensure that all children have a wide and varied skills and knowledge base by the time they leave the school. To ensure that theme coverage and progression is appropriate and challenging. To ensure equal opportunity between classes.
- (b) To moderate as a staff across all curriculum areas including core and foundation subjects to ensure continuity and progression of skills.
- (c) A clear overview of the 'creative curriculum' to ensure high expectations, engaging age appropriate work and high quality learning outcomes for all children.

Priority 3

- (a) To ensure that through quality first teaching, booster and interventions all children including those 'disadvantaged' make at least good progress and we actively look to 'close the gap'.
- (b) To evaluate and monitor the use and impact of the ICT suite and ICT within the classrooms to ensure that we have resourced effectively. To plan for the future in this area.

Priority 4

To liaise effectively with parents, using the information gained from feedback, on increasing their knowledge on their children's progress, how to effectively help their child and to further the 'home school' link.

The quality of teaching, learning and assessment (including EYFS)

Priority 1 - All teaching to be at least good - with 30% being outstanding. Use PPM more effectively track/intervention to be more accurate and monitored more effectively.

Priority 2 - All teachers to have exceptionally high expectations across all areas of the curriculum; learning walks, lesson plans and book scrutiny will demonstrate 70% good - 30% outstanding.

Priority 3 - Embed the use of the PPM, plan using the national curriculum, ensuring that marking and feedback and therefore targets are accurately set for all children. All staff to ensure the academy's marking policy is used effectively and children are involved in the feedback process and next steps ensure learning is extended.

Priority 4 - All staff to follow agreed policies and ensure all children understand tasks and use questioning effectively and use and apply gained knowledge - this is to be shown at the end of each unit of work. This is to be shown across all areas and subjects.

Priority 5 - All staff maintain a positive learning environment and encourage pupils through appropriate feedback, marking, rewards and where necessary targeted support. Liaise with SENCO to challenge and plan for individual children.

Priority 6 - Teachers take risks to motivate and inspire pupils. Teachers to use innovative practice and be an inspirational role model.

Priority 7 - To introduce DC Pro as our tracking system and all confidently use it to record data, analyse findings and plan accordingly with effective differentiation.

Personal development, behaviour and welfare

Priority 1 - To further the work set up on the 'Parent forum' and measure its effectiveness.

Priority 2 - To ensure the 'British values' permeate the school curriculum through the working of the School Council, 'Values' assembly plan, extra-curricular activities and class teaching.

Priority 3 - To introduce and embed the 'KiVa' system.

Priority 4 - To ensure that all children and parents are made aware of e-safety, cyber bullying and CEOP. To introduce 'the Sandbach plan' to ensure children's internet safety.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Priority 5 - To further the safeguarding training through PREVENT training and relevant first aid training for staff (workplace first aid and paediatric first aid).

Effectiveness of leadership and management

Priority 1

- (a) To sustain the 'Monitoring and Evaluation Plan', to ensure rigour and increase in standards for all pupils in all subjects.
- (b) To use the PPM. For the SLT to triangulate the data, books and lessons observations with clarity, direction and rigour.

Priority 2

To establish numicon and other Maths resources in school to successfully deliver the national curriculum to achieve higher standards in Maths. This is to be monitored and reported to trustees.

Priority 3

To further increase the role of the subject leader to ensure coverage, progression, richness and relevance in all subjects.

Priority 4

Spelling was identified as being the weaker part of the SPAG test 2015, spelling package put in place throughout the school with specific year group targets and direction.

Priority 5

To embed the new assessment package regarding 'assessment without levels' and the subject lead to use that information to ensure progression, high expectations and increase in standards.

Priority 6

- (a) To ensure the academy is well managed, financially sound and accountable to the trustees and wider community. To ensure the new pay policy and appraisal policy are put in place and are effective.
- (b) To allocate funds for the ICT capability in school for the next 2 years to ensure that both the hardware and software are fit for purpose and the systems in school are capable of housing what we need.
- (c) Refresh trustees in their role in subject/year teams and ensure effective feedback from subject leads to trustees through support and challenge.

Successes within the year

We have embedded the system of KiVa through the work across the whole town.

Year 6 had a most successful 'stepping into business' project learning all the skills to start up their own business. This was helped by the local business community.

On a sporting front we had great successes to county and North of England level in football, hockey and cricket and cluster level for basketball and athletics.

Public benefit

The academy trust promotes education for the benefit of the local community in Mossley and the environs of Congleton. We regularly work with local charities such as 'Storehouse - food bank and Ruby's Fund and National Charities such as 'Children in Need', Water Aid and Comic Relief. We have a partnership with a school in Kenya, Ngata Primary School, which is funded through 'Connecting Classrooms' through The British Council. Members of staff from school have visited the school in Kenya and teachers from Ngata have visited Mossley.

In setting our objectives and planning our activities our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance and key performance indicators

Below are the 2016 results for Key stage 1 and 2. The new 'Assessing without levels' came into force and so the reporting of attainment was done in a different way. It also related to the new curriculum which was new to the children and new in the testing format and expectations.

Key stage 1

	School expected standard	National	School greater depth	National	School working towards	National
Reading	63%	74%	23%	24%	35%	19%
Writing	62%	65%	17%	13%	37%	27%
Maths	73%	73%	15%	18%	25%	21%

Phonics 91% school 81% national

Key stage 2

Percentage of pupils achieving the "expected standard" at the end of Key Stage 2

	English Writing	English Reading	Maths	SPaG
School	51%	68%	65%	75%
National	74%	66%	70%	72%

Percentage of pupils working at "greater depth / high scaled score" at the end of Key Stage 2

	English Writing	English Reading	Maths	SPaG
School	12%	23%	16%	26%
National	15%	19%	17%	22%

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 Accounting Policies.

Financial review

Most of the academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ending 31 August 2016 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Reserves policy

The academy seeks to have 1 month's overheads, £80k, in general restricted and unrestricted reserves. The trustees review the reserve levels of the academy trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. These reserves are reviewed regularly during the year by the finance committee.

The academy trust's level of free reserves as at 31 August 2016 is:

Restricted general funds (excluding pension reserve)	£30,000
Unrestricted funds	£183,000

The increased reserves in the year ending 31 August 2016 is in line with cautious financial management and putting money towards building improvements.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Pensions

There is a deficit of £621,000.

The academy trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds, but excluding pension reserve) is £213,000. Authorisation to use reserves of any kind will be made by the trustees and/or the finance committee at the next available meeting the approval should be noted in the minutes.

Academy reserves have been earmarked in support of the following projects:

Premises

- Front entrance build to improve safeguarding within the school.
- Refurbishment (carpets and ceilings).
- Office re-figuration.
- Creation of SEND teaching space.

These are to be completed within the 2016/17 financial year.

In 2015/16 child led expenditure

- ICT - to increase the provision within school for in-class curriculum use and greater computing capability.
- To fulfil the requirements of the school development plan.

The surplus over this amount is to be set aside to develop the school in addition to the contingency of £10,000.

Investment policy

The aim of this policy is to ensure that funds which The Mossley Academy Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income but without risk.

The trust will therefore now look to invest surplus cash reserves (should they exist) with the trust's high street banker, Lloyds, where capital invested is guaranteed. Should this funding be invested the finance committee will receive a quarterly report on the performance of the investment. Interest incurred will be used for the benefit of children attending The Mossley Academy Trust.

Principal risks and uncertainties

The system of internal control (as noted in the academy's Financial Manual of Internal Procedures) is designed to manage risk to a reasonable level rather than eliminate it; actions to mitigate the risk have been planned for. Principal risks and uncertainties as noted by the trustees are:

- Change in government funding regime.
- Reduction in student numbers through competition, a damaged reputation, low standards or poor OFSTED grading.
- Business continuity in the event of major disaster.
- Loss of key senior staff.
- Long term staff sickness.

Controls put in place to mitigate these risks include:

- Attending conferences relating to change in government funding; reading relevant literature to ensure the trustees and finance committee are up to date with possible changes and actively exploring collaboration options.
- Regular challenges to staff around standards and performance and the academy's public profile.
- Have a sound emergency contingency plan in place with financial electronic data held off site.
- Succession planning strategies.
- Sound reserves and insurance to cover unexpected long term absence.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

The areas below have been identified as future development:

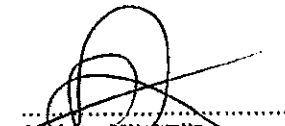
- Quality First Teaching – all teaching to be good with 40% outstanding.
- Phonics – to continue to monitor, ensuring good outstanding teaching.
- SPaG – good to outstanding teaching.
- Reading and Comprehension – to continue to raise the profile and ensure children are reading for meaning.
- Data – accountability for tracking progress, journey of a child, VA progress.
- Maths – training, engaging parents, raising standards, mastery.
- Science – raise the profile to ensure coverage and progression across the whole school.
- Assessment and tracking in place.
- Assessment without levels – tracking and link with cluster schools for moderation.
- ICT – evaluate impact and monitoring. Ensure link to core subjects. Strategic planning and development to ensure it remains fit for purpose and supports the curriculum.
- Front entrance – create an office space fit for purpose, a welcoming and secure, safe entrance.
- To increase reception/in year admissions – induction process. Links to marketing and website.
- Buddy system – to develop the role of KS2 children in developing a buddy system for reception and KS1 (as required).
- Marketing:
 - Website
 - Use of social media
 - Celebrating success
 - Estate agents
 - Links with nurseries
- Communication – to create a robust system that is clear and two ways between parent and teacher.
- To improve the facilities for sport and playtimes. Create revenue – hiring, links with the community.
- To create more learning spaces for SEND interventions and SENDCo involvement.
- Learning outside the classroom – using the outside space to effectively support learning.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
- the auditors, Haines Watts, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

This trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~8.12.16~~ and signed on the board's behalf by:


.....
Andrew Mitchell
Chair of trustees

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, 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 The Mossley Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The board of trustees has formally met three times during the year (September 2015 - August 2016). Attendance during the year at meetings of the board of trustees was as follows:

Trustee attendance at meetings 2015/16

Full board of trustee meetings	Number of meetings	Number attended
Andrew Mitchell	3	3
Rebecca Simpson	3	2
Edward Whitehead	3	2
David Taylor	3	2
Mary Anderson	3	2
Nick Barnes	3	2
Graham (Howard) Bould	3	3
Keith Smith	3	3
Grace Street	3	3
Dorothy Dentith	3	3
Sue Aston	3	3
Helen Harrison	3	3
Ben Heades	3	3
Sue Mills	3	2
Julie Thomas	3	1

Resource and finance committee	Number of meetings	Number attended
Andrew Mitchell	6	6
Edward Whitehead	6	5
David Taylor (changed to curriculum and pupil progress committee)	6	4
Nick Barnes	6	4
Keith Smith	6	4
Grace Street (changed from curriculum and pupil progress committee)	3	3
Dorothy Dentith	6	5
Sue Aston	6	6
Helen Harrison	6	6
Ben Heades	6	5

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Curriculum and pupil progress committee	Number of meetings	Number attended
Andrew Mitchell	6	6
Rebecca Simpson	6	4
David Taylor (changed from resource and finance committee)	3	3
Mary Anderson	6	5
Graham (Howard) Bould	6	5
Grace Street (changed to resource and finance committee)	6	6
Sue Aston	6	6
Helen Harrison	6	6
Sue Mills	4	3
Julie Thomas	4	2

The resource and finance committee's terms of reference

The committee will meet at least once per term.

Functions and powers:

Subject to the requirements of relevant legislation, the committee is authorised:

1. To consider and recommend acceptance/non-acceptance of the academy's budget, based on the recommendation of the audit committee, at the start of each financial year.
2. To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the headteacher, with the stated and agreed aims and objectives of the academy.
3. To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
4. To consider and support effective marketing and communications, ICT and policies, including the following:
 - to oversee the school profile, effectiveness of communication with key stakeholders and overall marketing of the school;
 - to establish and keep under review an accessibility plan;
 - to monitor and evaluate ICT within the school and plan for its continual development;
 - to monitor and evaluate pupil and parent perceptions of the school through questionnaires and reports back to parents;
 - to liaise with the School Council; and
 - annually review all mandatory, non-curricular policies including charges and remissions policies and expenses policies.
5. To liaise with and receive reports from the CPP committee, headteacher and others parties, as appropriate and to make recommendations to those committees and/or persons about financial aspects of the matters being considered by them.
6. To support retention, development and terms and conditions of all staff, including the following:
 - to draft and keep under review the staffing structure in consultation with the headteacher;
 - to establish a pay policy for all categories of staff and to be responsible for its administration and review;
 - to oversee the appointment procedure for all staff;
 - to establish and review a performance management policy for all staff;
 - to oversee the process leading to staff reductions;
 - to keep under review staff work/life balance, working conditions and well-being including the monitoring of absence;
 - to consider any appeal against a decision on pay grading or pay awards; and
 - to form the dismissal and appeal panels.
7. To encourage and develop partnerships in community and business both locally and internationally:
 - to be involved in positive international, community and business links;
 - to make arrangements for the board of trustees to be represented within the CECP and for reports to be received by the board of trustees.

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8. Performance:
- to contribute to the relevant section of SEF and the development of the SSDP;
 - to consider, advise and monitor available data and external benchmarking information to ensure value for money relative to outcomes and consider additional investment requested to support the same;
 - to oversee and scrutinise relevant areas of school performance in line with the pertinent DfE & Ofsted criteria.
9. To annually review the school asset management plan and strategic plans for the site development and capital projects and advise upon, and monitor maintenance, repair and refurbishment which ensures the school environment is conducive to quality learning and the effective delivery of the curriculum.
10. To provide guidance to the board of trustees on all tenders and contracts covering the management and maintenance of the school site.
11. To ensure that the school operates within the requirements of planning and building control regulations and health and safety guidance, and complies with the recommendations of the LA health and safety audit, including the following:
- to oversee arrangements, including health and safety, for the use of school premises by all users (including guests), subject to governing body policy;
 - to undertake the annual health and safety and fire audits;
 - to oversee health and safety arrangements for all school-led offsite activities;
 - to oversee and report to the board of trustees all health and safety implications associated with development plans in relation to the school premises.

Disqualification:

Any relevant person employed at the school other than as the headteacher when the subject for consideration is the pay or performance review of any person employed to work at the academy.

Report:

All actions and decisions of this committee will be reported to the board of trustees at its next meeting.

Review:

The terms of reference of this committee will be reviewed as necessary, but at least annually.

The curriculum and pupil progress committee's terms of reference

Purpose:

- To assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees responsibility to ensure sound management of the pupils' learning experience within the academy including proper planning, monitoring and probity.
- To consider safeguarding and equalities implications when undertaking our committee functions.
- To make appropriate comments and recommendations on such matters to the board of trustees on a regular basis.
- To contribute to the SSDP.
- Major issues to be referred to the board of trustees for ratification.

Membership:

The membership of this committee shall be made up of a minimum of three trustees among who should be the committee chair or headteacher. Where possible, the trustees should include a staff trustee. This committee will choose its chair. The committee may co-opt non-voting members to assist it to discharge its responsibilities effectively; should it so require.

Quorum:

The quorum shall be three voting members, one of whom must be the chair or headteacher who may nominate a representative in his/her absence who will make his/her vote.

Meetings:

The committee will meet at least once per term.

THE MOSSLEY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

Functions and powers:

Subject to the requirements of relevant legislation, the committee is authorised:

1. To review monitor and evaluate the curriculum and keep up to date with the changes and adaptations.
2. To hold subject leaders to account.
3. To contribute to the formulation of the academy's development plan, through the consideration of matters relating to the curriculum and pupil learning and progress, in consultation with the headteacher, with the stated and agreed aims and objectives of the academy.
4. To develop and review policies identified within the academy's policy review programme and in accordance with its delegated powers, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
5. To consider and support effective marketing and communications ICT and policies, including the following:
 - to review the effectiveness of communication with key stakeholders in matters relating to the curriculum;
 - to monitor and evaluate pupil and parent perceptions of the school through questionnaires and reporting back to parents; and
 - to liaise with the School Council.
6. To liaise with and receive reports from the resources committee, headteacher and others parties, as appropriate and to make recommendations to those committees and/or persons about curriculum aspects of the matters being considered by them including relative funding priorities to deliver the curriculum.
7. Performance:
 - to contribute to the relevant section of SEF and the development of the SSDP;
 - to consider, advise and monitor available data and external benchmarking information to ensure best practice relative to outcomes and consider additional investment requested to support the same;
 - to oversee and scrutinise relevant areas of school performance in line with the pertinent DfE and Ofsted criteria;
 - to receive reports from and monitor progress of visits from the SIP and the effectiveness of the SIP visits;
 - to monitor and evaluate the effectiveness of leadership and management;
 - to monitor and evaluate the impact of quality of teaching on pupil progress and standards of achievement; and
 - to monitor the effectiveness of teaching and learning in all curriculum areas and the progress for all children.
8. SEN/Safeguarding:
 - to ensure that the requirements of children with special needs and all groups of vulnerable children are met and receive termly reports;
 - to appoint a trustee with special responsibility for SEN and safeguarding and receive a termly report from that trustee; and
 - to ensure that the duties to report and account for any safeguarding issues are fulfilled and to receive and monitor termly reports.
9. Training:
 - to monitor and evaluate the effectiveness of trustee training;
 - to provide information to the board of trustees on training opportunities;
 - to review when appropriate the skills of the board of trustees and address any areas of training requirements identified; and
 - to ensure all children have equal opportunities.

Disqualification:

Any relevant person employed at the school other than as the headteacher when the subject for consideration is the pay or performance review of any person employed to work at the academy.

Report:

All actions and decisions of this committee will be reported to the board of trustees at its next meeting.

Review:

The terms of reference of this committee will be reviewed as necessary, but at least annually.

THE MOSSLEY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

The audit committee

Members:

Andy Mitchell	Chair of trustees
Edward Whitehead	(Chair) Chair of finance & resources committee
Howard Bould	Trustee
Grace Street	Trustee
Sue Aston	Headteacher

To attend to report Susan Brereton (school business manager)

Any other member of the board of trustees may attend where they might add value to the committee agenda

Terms of reference:

Budget:

- To scrutinise the academy's accounts, including performance against projected expenditure on a termly basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the board of trustees.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
- To prepare the financial statement to form part of the annual report of the board of trustees for publication and for filing in accordance with Companies Act.
- To develop (annually) a three-year budget for sign off by the board of trustees.

Last reviewed: June 2016

Audit:

- To receive auditors' reports and to recommend to the board of trustees action as appropriate in response to audit findings.
- To recommend to the board of trustees the appointment or reappointment of the auditors of the academy.
- To discuss with the external auditor the nature and scope of each forthcoming audit and the findings of the audit once completed.
- To consider and advise the board on the academy's annual and long term audit programme ensuring that the academy's internal controls are subject to appropriate independent scrutiny at least in accordance with government standards.
- To consider all relevant reports by the responsible officer, any internal auditors or the appointed external auditor, including reports on the academy's accounts, achievement of value for money and the response to any management letters.
- To monitor the implementation of action to address adverse control findings by the responsible officer, any internal auditors or the appointed external auditor.

Policy/procedure:

- To review the effectiveness of the academy's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner.
- To review the academy's internal and external financial statements and reports to ensure that they reflect best practice.
- To review the operation of the academy's code of practice for trustees and code of conduct for staff.
- To consider any other matters where requested to do so by the board.
- To report at least once a year to the board on the discharge of the above duties.

Last reviewed: June 2016

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

As accounting officer the headteacher has responsibility for ensuring that the 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 considers that the trust has delivered improved value for money during the year in the following ways:

- Improving educational results
- Financial governance and oversight
- Better purchasing
- Reviewing controls and managing risks

Over the last financial year, The Mossley Academy Trust has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to improve.

The academy's bursar, the headteacher and the deputy headteacher review expenditure and income on a weekly basis and this is minuted and is shared with the chair of trustees and the chair of the resources committee. The headteacher together with the finance team review the expenditures on a monthly basis and report to the trustees quarterly. Any issues that arise are dealt with by the bursar/headteacher as and when required.

Already, significant savings have been made in the areas of staff and buildings insurance, energy bills and purchasing general materials. In the development of our car park improvements we carried out a tendering process to gain the best value for money ensuring that the best service was obtained. The continued management of the kitchen and gaining better quality produce and value for money has seen an overall improvement in school dinner provision. We continue to get better deals for our washroom supplies and waste collection. We are now in the next financial year looking towards getting a better service for ICT in both improvement of the infrastructure and on-going break and fix. All of the above have been discussed with trustees and passed by the resources committee and ratified by the board of trustees.

The trust has used the services of the Congleton Education Community Partnership (CECP) through the manager to gain best value for shared services such as family support, play therapy and well-being.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Mossley Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the 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.

THE MOSSLEY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Elizabeth Whitehurst an internal auditor.

The external auditor and internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a regular basis, the accountants report to the board of trustees, through the resources and audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

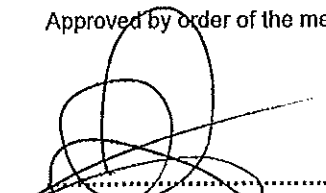
Review of effectiveness


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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework; and
- the resources committee with the help of the responsible officer reviews the controls and manages the risks on a termly basis.

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

Approved by order of the members of the board of trustees on 8.12.16 and signed on its behalf by:


.....
Andrew Mitchell
Chair of trustees


.....
Sue Aston
Accounting officer

THE MOSSLEY ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of The Mossley Academy Trust 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 2015.

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

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



Sue Aston
Accounting officer

8/12/16

THE MOSSLEY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who also act as governors for The Mossley Academy Trust and are also the directors of The Mossley Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

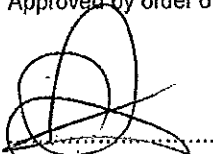
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 8.12.16 and signed on its behalf by:



Andrew Mitchell
Chair of trustees

THE MOSSLEY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF THE MOSSLEY ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2016

We have audited the accounts of The Mossley Academy Trust for the year ended 31 August 2016 which comprise the statement of financial activities, 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 and 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', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditors

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees, who are also the directors of The Mossley Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 accounts. In addition, we read all the financial and non-financial information in the trustees' report including the incorporated strategic report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

THE MOSSLEY ACADEMY TRUST

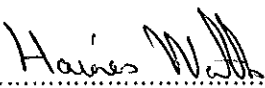
INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF THE MOSSLEY ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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 accounts 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.


.....

John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of

Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: .....

THE MOSSLEY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MOSSLEY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2016

In accordance with the terms of our engagement letter dated 7 August 2014 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 The Mossley Academy Trust during the period 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 The Mossley Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Mossley Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Mossley Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Mossley Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Mossley Academy Trust's funding agreement with the Secretary of State for Education dated 30 July 2014 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 period 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 EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

THE MOSSLEY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MOSSLEY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

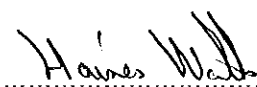
FOR THE YEAR ENDED 31 AUGUST 2016

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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 period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....

Haines Watts
Reporting Accountant

Dated: 14/11/16.....

THE MOSSLEY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2016 £000	Total 2015 13 months to 31.08.15 £000
Income and endowments from:						
Donations and capital grants	2	46	4	8	58	71
Donations - transfer from local authority on conversion		-	-	-	-	2,985
Charitable activities:						
- Funding for educational operations	3	2	1,508	-	1,510	1,601
Other trading activities	4	64	-	-	64	45
Investments	5	1	-	-	1	-
Total income and endowments		<u>113</u>	<u>1,512</u>	<u>8</u>	<u>1,633</u>	<u>4,702</u>
Expenditure on:						
Raising funds	6	4	-	-	4	1
Charitable activities:						
- Educational operations	7	12	1,567	70	1,649	1,617
Total expenditure	6	<u>16</u>	<u>1,567</u>	<u>70</u>	<u>1,653</u>	<u>1,618</u>
Net income/(expenditure)		97	(55)	(62)	(20)	3,084
Transfers between funds		(45)	8	37	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	(216)	-	(216)	(48)
Net movement in funds		52	(263)	(25)	(236)	3,036
Reconciliation of funds						
Total funds brought forward		131	(328)	3,233	3,036	-
Total funds carried forward		<u>183</u>	<u>(591)</u>	<u>3,208</u>	<u>2,800</u>	<u>3,036</u>

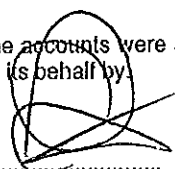
THE MOSSLEY ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £000	£000	2015 £000	£000
Fixed assets					
Tangible assets	11		3,208		3,233
Current assets					
Stocks	12	-		2	
Debtors	13	29		29	
Cash at bank and in hand		279		264	
		<u>308</u>		<u>295</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(95)		(112)	
Net current assets			<u>213</u>		<u>183</u>
Net assets excluding pension liability			<u>3,421</u>		<u>3,416</u>
Defined benefit pension liability	18		(621)		(380)
Net assets			<u>2,800</u>		<u>3,036</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			3,208		3,233
- Restricted income funds			30		52
- Pension reserve			(621)		(380)
Total restricted funds			<u>2,617</u>		<u>2,905</u>
Unrestricted Income funds	16		<u>183</u>		<u>131</u>
Total funds			<u>2,800</u>		<u>3,036</u>

The accounts were approved by the board of trustees and authorised for issue on 8.12.16 and are signed on its behalf by


 Andrew Mitchell
 Chair of trustees

Company Number 09104491

THE MOSSLEY ACADEMY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

		2016		2015 13 months to 31.08.15	
	Notes	£000	£000	£000	£000
Cash flows from operating activities					
Net cash provided by operating activities	19		51		252
Cash funds transferred on conversion			-		51
			<u>51</u>		<u>303</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		1		-	
Capital grants from DfE and EFA		8		8	
Payments to acquire tangible fixed assets		(45)		(47)	
			<u>(36)</u>		<u>(39)</u>
Change in cash and cash equivalents in the reporting period			15		264
Cash and cash equivalents at 1 September 2015			<u>264</u>		<u>-</u>
Cash and cash equivalents at 31 August 2016			<u><u>279</u></u>		<u><u>264</u></u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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.

The Mossley Academy Trust meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of The Mossley Academy Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 23. The reported financial position and financial performance for the previous period is not affected by the transition to FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period 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

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

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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 life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land and buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	7 years

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged on a straight line basis over the period of the lease.

1.8 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, 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 are recognised in the period to which they relate.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.11 Fund accounting

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

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

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

1.12 Critical accounting estimates and areas of judgement

Accounting 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.

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

2 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 13 months to 31.8.15 £000
Insurance reclaim	-	4	4	10
Capital grants	-	8	8	8
Other donations	46	-	46	53
	<u>46</u>	<u>12</u>	<u>58</u>	<u>71</u>

The income from donations and capital grants was £58,000 (2015: £71,000) of which £46,000 was unrestricted (2015: £53,000), £4,000 was restricted (2015: £10,000) and £8,000 was restricted fixed assets (2015: £8,000).

3 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 13 months to 31.8.15 £000
DfE / EFA grants				
General annual grant (GAG)	-	1,372	1,372	1,450
Start up grants	-	-	-	25
Other DfE / EFA grants	-	113	113	107
	<u>-</u>	<u>1,485</u>	<u>1,485</u>	<u>1,582</u>
Other government grants				
Local authority grants	-	23	23	17
	<u>-</u>	<u>23</u>	<u>23</u>	<u>17</u>
Other funds				
Other incoming resources	2	-	2	2
	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
Total funding	<u>2</u>	<u>1,508</u>	<u>1,510</u>	<u>1,601</u>

The income from funding for educational operations was £1,510,000 (2015: £1,601,000) of which £1,508,000 was restricted (2015: £1,599,000) and £2,000 was unrestricted (2015: £2,000).

The academy trust received £23,000 from the local authority in the year, being £18,000 for HNB funding, £3,000 for growth funding and £2,000 for pupil premium received on behalf of looked after children.

There were no unfulfilled conditions or other contingencies relating to the grants in the year.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

4 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 13 months to 31.8.15 £000
Catering income	54	-	54	35
School uniform	4	-	4	9
Parental contributions	6	-	6	1
	<u>64</u>	<u>-</u>	<u>64</u>	<u>45</u>

The income from other trading activities was £64,000 (2015: £45,000) of which £64,000 was unrestricted (2015: £45,000).

5 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 13 months to 31.8.15 £000
Short term deposits	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

The income from funding for investment income was £1,000 (2015: £nil) of which £1,000 was unrestricted (2015: £nil).

6 Expenditure

	Staff costs £000	Premises & equipment £000	Other costs £000	Total 2016 £000	Total 13 months to 31.8.15 £000
Academy's educational operations					
- Direct costs	993	63	122	1,178	1,199
- Allocated support costs	203	58	210	471	418
	<u>1,196</u>	<u>121</u>	<u>332</u>	<u>1,649</u>	<u>1,617</u>
Other expenditure					
Raising funds	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>1</u>
Total expenditure	<u>1,196</u>	<u>121</u>	<u>336</u>	<u>1,653</u>	<u>1,618</u>

The expenditure on raising funds was £4,000 (2015: £1,000) of which £4,000 was unrestricted (2015: £1,000).

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

6 Expenditure

Net income/(expenditure) for the year includes:

	2016 £000	13 months to 31.8.15 £000
Fees paid to auditor for audit services	6	6
Operating lease rentals	3	2
Depreciation of tangible fixed assets	70	55
	<u> </u>	<u> </u>

7 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 13 months to 31.8.15 2015 £000
Direct costs - educational operations	12	1,166	1,178	1,199
Support costs - educational operations	-	471	471	418
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	12	1,637	1,649	1,617
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The expenditure on educational operations was £1,649,000 (2015: £1,617,000) of which £12,000 was unrestricted (2015: £7,000), £1,567,000 was restricted (2015: £1,555,000) and £70,000 was restricted fixed assets (2015: £55,000).

	2016 £000	13 months to 31.8.15 £000
Analysis of costs		
Direct costs		
Teaching and educational support staff costs	980	991
Staff development	13	8
Depreciation and amortisation	63	52
Technology costs	14	27
Educational supplies and services	108	120
Other direct costs	-	1
	<u> </u>	<u> </u>
	1,178	1,199
	<u> </u>	<u> </u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	2016 £000	13 months to 31.8.15 £000
Support staff costs	203	164
Depreciation and amortisation	7	3
Technology costs	2	3
Maintenance of premises and equipment	51	17
Cleaning	9	6
Energy costs	16	17
Rent and rates	11	13
Insurance	25	16
Security and transport	1	-
Catering	50	73
Interest on pension deficit	15	13
Other support costs	52	51
Governance costs	29	42
	<u>471</u>	<u>418</u>

8 Staff costs

	2016 £000	13 months to 31.8.15 £000
Wages and salaries	915	928
Social security costs	66	58
Operating costs of defined benefit pension schemes	185	156
	<u>1,166</u>	<u>1,142</u>
Staff costs	1,166	1,142
Supply staff costs	17	13
Staff development and other staff costs	13	8
	<u>1,196</u>	<u>1,163</u>

Staff numbers

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

	2016 Number	2015 Number
Teachers	16	16
Administration and support	28	33
Management	3	3
	<u>47</u>	<u>52</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

Higher paid staff

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

	2016 Number	2015 Number
£60,001 - £70,000	1	1

Non statutory/non-contractual staff severance payments

During the year, there were no non statutory/ non contractual severance payments made to staff.

Key management personnel

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 £209,000 (2015: £214,000).

9 Trustees' remuneration and expenses

One or more trustees have been paid remuneration or have received other benefits from an employment with the academy trust. The head teacher, Mrs S Aston and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Mrs S Aston and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

Mrs S Aston (headteacher and trustee):

Remuneration	£70,001 - £75,000	(2015: £75,001 - £80,000)
Employers' pension contribution	£10,001 - £15,000	(2015: £10,001 - £15,000)

Mrs H Harrison (staff and trustee):

Remuneration	£45,001 - £50,000	(2015: £50,001 - £55,000)
Employers' pension contribution	£5,001 - £10,000	(2015: £5,001 - £10,000)

Mr B Heads (staff and trustee):

Remuneration	£25,001 - £30,000	(2015: £25,001 - £30,000)
Employers' pension contribution	£1 - £5,000	(2015: £1 - £5,000)

Mr L Dale (staff and trustee):

Remuneration	£1 - £5,000	(2015: £10,001 - £15,000)
Employers' pension contribution	£1 - £5,000	(2015: £1 - £5,000)

During the year ended 31 August 2016, there were no travel and subsistence expenses reimbursed or paid directly to the trustees. Other related party transactions involving the trustees are set out in note 21.

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000
Cost				
At 1 September 2015	3,226	33	29	3,288
Additions	18	5	22	45
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2016	3,244	38	51	3,333
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 September 2015	46	8	1	55
Charge for the year	47	12	11	70
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2016	93	20	12	125
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 August 2016	3,151	18	39	3,208
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2015	3,180	25	28	3,233
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12 Stocks

	2016 £000	13 months to 31.8.15 £000
School uniform	-	2
	<u> </u>	<u> </u>

13 Debtors

	2016 £000	13 months to 31.8.15 £000
Other debtors	6	2
Prepayments and accrued income	23	27
	<u> </u>	<u> </u>
	29	29
	<u> </u>	<u> </u>

14 Creditors: amounts falling due within one year

	2016 £000	13 months to 31.8.15 £000
Trade creditors	6	29
Other taxation and social security	41	37
Accruals and deferred income	48	46
	<u> </u>	<u> </u>
	95	112
	<u> </u>	<u> </u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

15 Deferred income	2016 £000	13 months to 31.8.15 £000
Deferred income is included within:		
Creditors due within one year	43	40
Deferred income at 1 September 2015	40	-
Released from previous years	(40)	-
Amounts deferred in the year	43	40
Deferred income at 31 August 2016	43	40

At the balance sheet date the academy trust was holding funds received in advance of the 2016/17 academic year for the free school meals programme and income received in advance of educational visits to take place in 2016/17.

16 Funds	Balance at 1 September 2015 £000	Incoming resources £000	Resources expended £000	Gains, losses & transfers £000	Balance at 31 August 2016 £000
Restricted general funds					
General Annual Grant	52	1,372	(1,402)	8	30
Other DfE / EFA grants	-	113	(113)	-	-
Other government grants	-	23	(23)	-	-
Other restricted funds	-	4	(4)	-	-
Funds excluding pensions	52	1,512	(1,542)	8	30
Pension reserve	(380)	-	(25)	(216)	(621)
	(328)	1,512	(1,567)	(208)	(591)
Restricted fixed asset funds					
DfE / EFA capital grants	40	8	(10)	(8)	30
Inherited funds	3,193	-	(55)	-	3,138
Private sector capital sponsorship	-	-	(5)	45	40
	3,233	8	(70)	37	3,208
Total restricted funds	2,905	1,520	(1,637)	(171)	2,617
Unrestricted funds					
General funds	131	113	(16)	(45)	183
Total funds	3,036	1,633	(1,653)	(216)	2,800

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Funds

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from unrestricted general funds to restricted fixed asset funds is to meet the costs incurred.

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.

17 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2016 £000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	3,208	3,208
Current assets	183	125	-	308
Creditors falling due within one year	-	(95)	-	(95)
Defined benefit pension liability	-	(621)	-	(621)
	<u>183</u>	<u>(591)</u>	<u>3,208</u>	<u>2,800</u>

18 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire Investment Fund Strategy A. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £21,000 were payable to the schemes at 31 August 2016 and are included within creditors.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

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 pension costs paid to the TPS in the period amounted to £100,000 (2015: £82,000).

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

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.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are yet to be decided. The estimated value of employer contributions for the forthcoming year is £71,000.

The LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

Total contributions made	2016 £000	13 months to 31.8.15 £000
Employer's contributions	69	57
Employees' contributions	15	13
Total contributions	84	70

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.1	3.6
Rate of increase for pensions in payment	2.1	2.7
Discount rate	2.1	3.8

Sensitivity Analysis

Changes in assumptions at 31 August 2016	Approximate % increase to employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	144
1 year increase in member life expectancy	3%	31
0.5% increase in the Salary Increase Rate	5%	57
0.5% increase in the Pension Increase Rate	8%	82

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

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

	2016 Years	2015 Years
Retiring today		
- Males	22.3	22.3
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.1	24.1
- Females	26.7	26.7

	2016 Fair value £000	2015 Fair value £000
The academy trust's share of the assets in the scheme		
Equities	329	195
Bonds	63	50
Property	30	25
Other assets	-	8
Total market value of assets	422	278
Actual return on scheme assets - gain/(loss)	60	(19)

	2016 £000	13 months to 31.8.15 £000
Amounts recognised in the statement of financial activities		
Current service cost (net of employee contributions)	79	69
Net interest cost	15	13

	2016 £000
Changes in the present value of defined benefit obligations	
Obligations at 1 September 2015	658
Current service cost	79
Interest cost	27
Employee contributions	15
Actuarial loss	264
At 31 August 2016	1,043

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

Changes in the fair value of the academy trust's share of scheme assets	2016 £000
Assets at 1 September 2015	278
Interest income	12
Return on plan assets (excluding amounts included in net interest): Actuarial gain	48
Employer contributions	69
Employee contributions	15
At 31 August 2016	<u>422</u>

19 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2016 £000	13 months to 31.8.15 £000
Net income/(expenditure) for the reporting period	(20)	3,084
Adjusted for:		
Net deficit/(surplus) transferred on conversion	-	(2,985)
Capital grants from DfE/EFA and other capital income	(8)	(8)
Investment income	(1)	-
Defined benefit pension costs less contributions payable	10	12
Defined benefit pension net finance cost/(income)	15	13
Depreciation of tangible fixed assets	70	55
(Increase)/decrease in stocks	2	(2)
(Increase)/decrease in debtors	-	(29)
Increase/(decrease) in creditors	(17)	112
Net cash provided by operating activities	<u>51</u>	<u>252</u>

20 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016 £000	13 months to 31.8.15 £000
Amounts due within one year	6	2
Amounts due in two and five years	10	2
	<u>16</u>	<u>4</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

21 Related party transactions

Owing to the nature of the academy trust'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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

CTP Networking Limited is a company in which Rev Canon D Taylor, a trustee, has an interest. During the year The Mossley Academy Trust paid CTP Networking Limited £143 in relation to room hire. There were no amounts outstanding at 31 August 2016.

Eaton Bank Academy is a company in which Mrs S Aston, the principal and a trustee; Mr K Smith, a trustee and Mrs R Simpson, a trustee have an interest. During the year, The Mossley Academy Trust paid £2,045 to Eaton Bank Academy in relation to professional charges. There were no amounts outstanding at 31 August 2016.

Congleton Education Community Partnership is a company in which Mrs S Aston, the principal and a trustee have an interest. During the year, The Mossley Academy Trust paid £125 to Congleton Education Community Partnership in relation to professional charges. There were no amounts outstanding at 31 August 2016.

In entering into the above transactions the trust has complied with the requirements of the Academies Financial Handbook 2015.

22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

23 Reconciliations on adoption of FRS 102

Reconciliation of funds for the previous financial period

		1 September 2014 £000	31 August 2015 £000
Funds as reported under previous UK GAAP		-	3,036
Adjustments arising from transition to FRS 102:			
Change in recognition of LGPS interest cost	1	-	(4)
Change in actuarial loss	1	-	4
Funds reported under FRS 102		-	3,036

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

23 Reconciliations on adoption of FRS 102

Reconciliation of net income for the previous financial period

	Notes	2015 £000
Net income as reported under previous UK GAAP		3,036
Adjustments arising from transition to FRS 102:		
Change in recognition of LGPS interest cost	1	(4)
Change in actuarial loss	1	4
Net income reported under FRS 102		<u>3,036</u>

Notes to reconciliations on adoption of FRS 102

1. Change in recognition of LGPS

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £4,000 and reduce the debit in other recognised gains and losses in the SoFA by an equivalent amount.