

THE MOSSLEY ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2015

Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

THE MOSSLEY ACADEMY TRUST

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THE MOSSLEY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE PERIOD ENDED 31 AUGUST 2015

Trustees

Mrs M Anderson (Appointed 26 June 2014)
Mrs S Aston (Appointed 26 June 2014) *
Mr N Barnes (Appointed 26 June 2014) *
Dr G Bould (Appointed 26 June 2014)
Mrs L Dale (Appointed 26 June 2014)
Mrs D Dentith (Appointed 26 June 2014) *
Mrs H Harrison (Appointed 26 June 2014) *
Mr B Heades (Appointed 26 June 2014) *
Mr A Mitchell (Appointed 26 June 2014) *
Mrs S Rhodes (Appointed 26 June 2014 and resigned 16 July 2015) *
Mrs R Simpson (Appointed 26 June 2014)
Mr K Smith (Appointed 26 June 2014) *
Mr T Stone (Appointed 26 June 2014)
Revd Canon D Taylor (Appointed 26 June 2014)
Mr E Whitehead (Appointed 26 June 2014) *
Mrs G Street (Appointed 26 June 2014)

* Members of the Finance & Resources Committee

Members

Mr A Mitchell
Mrs S Rhodes
Mrs R Simpson
Revd Canon D Taylor

Senior management team

- Headteacher Mrs S Aston
- Deputy Headteacher Mrs H Harrison
- Assistant Headteacher Ms L Swift
- SENCO Ms Melanie Schofield

Company registration number 09104491 (England and Wales)

Independent auditor Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Bankers Lloyds TSB Bank plc
13 Victoria Street
Crewe
CW1 2JQ

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2015

The trustees present their annual report together with the financial statement and auditor's report of the charitable company for the period 1 August 2014 to 31 August 2015. 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 387 in the school census on 2 October 2014.

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 16 trustees (board of trustees) and there are 4 members. The board of trustees is responsible for appointing 3 members, the board of trustees have 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 are responsible for the education and curriculum as taught across the school.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

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.

Related parties and other connected charities and organisations

The academy trust has a partnership agreement with the CECP (Congleton Education Community Partnership) which is a limited charitable company, renewable every three years. The head teachers 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, Gifted and Talented, 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:

To strive for excellence in all we do in school and the wider community.

Achieve Succeed Believe

Objectives, strategies and activities

The main objectives of the academy during the period ending 31 August 2015 are summarised below:

Achievement of 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 children make accelerated progress.
- (b) To ensure all groups of children make better than expected progress, at least good if not outstanding. 100% 2 levels progress.
6 APS in kS1
3.5 APS in kS2
- (c) Through performance management, learning walks, book scrutinies and lesson observations standards are seen to rise.

Priority 2

- (a) To ensure that all children have 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) For all staff to moderate 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.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Priority 3

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'.

Quality of teaching (including EYFS)

Priority 1 - embed the use of the PPM, plan using app's, ensure marking and feedback and therefore targets are accurately set for all children. All staff to ensure school's marking policy is used effectively and children are involved in the feedback process and next steps ensure learning is extended.

Priority 2 - 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 3 - all staff maintain a positive learning environment and encourage pupils through appropriate feedback, marking and rewards and where necessary target specific support. Liaise with SENCO to challenge and plan for individual children.

Priority 4 - teachers take risks to motivate and inspire pupils. Teachers to use innovative practice and be an inspirational role model.

Priority 5 - for all books to show cold task / targets / quality teaching / quantity and high expectations of presentation / pink and green marking / effective marking / progress clear. Children clear on how to improve.

Behaviour & safety of pupils spiritual, moral, social, cultural & community

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 take part in 'Friendship week'.

Priority 4 - To ensure that all children and parents are made aware of e-safety, cyber bullying and CEOP.

Priority 5 - To set up a system of behaviour tracking in each class.

Leadership and management

Priority 1

(a) To embed the 'Monitoring and Evaluation Plan', share and measure the impact of strategic developments. Feedback to be more structured and focused.

(b) To monitor levels and progression throughout the school in the Foundation subjects as well as Literacy, Maths and Science.

(c) To embed the role of the subject leader and the PPM. SLT to triangulate the data, books and lessons observations.

Priority 2

(a) For HH to carry out Performance Management for TA's and other support staff.

(b) To continue to use Town Inset and Teaching and Learning Forums to create more bespoke training and use colleagues to share good practice etc.

Priority 3

(a) Spelling was still identified as being the weaker part of the SPAG test 2014, spelling package put in place throughout the school - Literacy Leader / HH to monitor and report to trustees.

(b) Level 6 work to begin September 2014 for the higher achieving children.

Priority 4

(a) Benchmarking process to be shared with board of trustees on a yearly basis.

(b) Use the academy financial handbook to assess and monitor internal procedures within the school. School development plan fully costed throughout the action plans.

(c) To train trustees in their designated roles, including how to scrutinise and feedback their findings to staff, SMT and the board of trustees.

Priority 5

(a) Using finances effectively for the sustained expansion of the school.

(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.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

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 governors 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.

Strategic report

Achievements and performance and key performance indicators

Below are the 2015 results for Key stage 1 and 2.

Key stage 1

School	National
94% level 2+ Reading	91% Level 2+
89% level 2+ Writing	88% Level 2+
100% level 2+ Maths	93% Level 2+

Key stage 2

School	National	
89% level 4+ Reading	89% Level 4+	91% 2 levels progress
92% level 4+ Writing	87% Level 4+	96% 2 levels progress
90% level 4+ Maths	87% Level 4+	87% 2 levels progress

Results in Spelling, Punctuation and Grammar level 4+ 92% National 87%.

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 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities. Due to this being the first year of the academy we were cautious with the finances.

Reserves policy

The academy seeks to have 1 months 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 level of reserves as at 31 August 2015 is:

Restricted	£52,000
Unrestricted	£131,000

The increased reserves in the period ending 31 August 2015 is in line with cautious financial management during the first year of academy transition.

Pensions

There is a deficit of £380,000.

THE MOSSLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

The academy trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £131,000. 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.
- Refurbishment (carpets and ceilings).
- Office re-figuration.

These are to be completed within the 2015/16 financial year.

Child led

- 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 Procedure) 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.
- 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 to cover unexpected long term absence.

Plans for future periods

The below areas have been identified as future development:

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 PERIOD ENDED 31 AUGUST 2015

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 schools' 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 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 PERIOD ENDED 31 AUGUST 2015

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

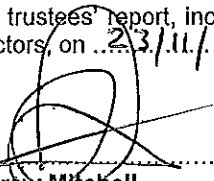
- (a) To ensure the academy is well managed, financially sound and accountable to the trustees and wider community. To ensure the new pay policy and appraisal policy are put in place and are effective.
- (b) To allocate funds for the ICT capability in school for the next 2 years to ensure that both the 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.

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 23/11/15 and signed on the board's behalf by:


.....
Andrew Mitchell
Chair of trustees

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2015

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 (August 2014 - August 2015). Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Sarah Rhodes (chairperson/co-opted/trustee-resigned 16.7.15)	3	3
Andrew Mitchell (parent/trustee)	3	3
Edward Whitehead (co-opted)	3	3
Rebecca Simpson (parent/trustee)	3	3
Keith Smith (co-opted)	1	3
Tim Stone (parent)	1	3
Grace Street (parent)	2	3
Howard Bould (foundation)	3	3
Dorothy Dentith (foundation)	3	3
Mary Anderson (foundation)	3	3
David Taylor (foundation/trustee)	1	3
Nick Barnes (parent)	2	3
Louise Dale (support staff)	0	3
Ben Heades (staff trustee)	3	3
Helen Harrison (Deputy HT)	3	3
Sue Aston	2	3

From September 2015 the Chair of trustees will be Andrew Mitchell. In Autumn 2015 the board of trustees will be developing and re-defining the terms of reference for the committees.

The resources committee is a sub-committee of the main board of trustees. Its purpose is to:

1. To prepare the annual financial plan for ratification by the full board of trustees, having taken account of the priorities determined by other committees and set down in the School Improvement Plan and OFSTED Action Plan (and with reference to paragraph 8 below).
2. To have authority to vire between headings during the financial year as the need arises, providing this does not result in any overspend at the end of the financial year. The virement limit to be £5,000. Requests above this limit have to be agreed by the full board of trustees.
3. To recommend to the full board of trustees the level of financial authority to be delegated to the headteacher for the day to day management of the school and to keep this reviewed annually. The headteacher's limit to be £10,000. Amounts above this to be referred to the finance committee/whole board of trustees for approval.
4. To have authority to agree the use of any sums held in contingency/reserve having regard to the priorities established in the school improvement plan and up to a limit of 5% of the revenue budget.

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

5. To receive and review regular monitoring reports from the headteacher and report back to the full board of trustees at their termly meetings. To recommend corrective/remedial action where significant variances from planned income/expenditure arises.
6. To arrange for an audit/independent examination of all voluntary school funds to take place at least once in every twelve months and to ensure that a certificate of audit/independent examination is presented to the board of trustees and a copy sent to the LA.
7. To ensure that appropriate financial regulations, including write offs, are followed carefully within school and that any recommendations from the Audit Report are fully implemented.
8. To determine in each school year the sum of monies available for expenditure on salaries. If appropriate, to liaise closely with the relevant committee to ensure appropriate levels of finance are available to ensure that teachers are properly rewarded within the structure established by the schoolteachers' pay and conditions document. This includes liaising over the staff complement and the results of any recommendations resulting from the performance management review.
9. The committee will ensure that any facilities operated under the 'Extended School' Regulations will have no net impact on the school budget share.
10. To ensure minutes with decisions and action points are taken at each meeting and circulated promptly to all members of the board of trustees and the clerk to the trustees.
11. To formulate and keep under review the pay policy for staff employed in the school.
12. To ratify, monitor and control the school's staffing structure and job descriptions at least once a year, or review whenever there is a vacancy.
13. To establish and control procedures for advertisement for any appointment of staff and promotion and demotion of existing staff.
14. To establish and control procedures for taking such staff disciplinary or dismissal actions as may be necessary.
15. To undertake any formal consultation on personnel matters.
16. To ensure that a system of effective staff performance management, in line with statutory and local authority procedures, is in place and is working.
17. To assess teachers' salaries annually as required by the Pay and Conditions Document and make arrangements to inform staff of the outcome.
18. To review the salaries of the headteacher and deputy head annually.
19. To consult with the finance sub-committee with regard to the impact of personnel decisions on the school budget.
20. To establish and control procedures for the effective and fair management of redundancy situations.
21. To ensure minutes with decisions and action points are taken at each meeting and circulated to all members of the board of trustees and clerk to trustees.

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Attendance during the year (August 2014 - August 2015) at meetings of the resource committee was as follows:

Trustee	Meetings attended	Out of a possible
S Rhodes (Chairperson/Co-opted/Trustee)	4	5
A Mitchell (Parent/Trustee)	5	5
E Whitehead (co-opted)	5	5
N Barnes (Parent)	3	5
K Smith (Co-opted)	3	5
D Dentlith (Foundation)	4	5
D Taylor (Foundation)	3	5
B Heades (Staff)	5	5
S Aston (Headteacher)	5	5
H Harrison (Deputy Headteacher)	5	5

The resource committee took this role in 2014/15 but now has formed a smaller committee to take this role. The audit committee is a sub-committee of the main board of trustees. Its purpose is to:

- review the school's internal and external financial statements and reports to ensure that they reflect best practice;
- discuss with the external auditor the nature and scope of each forthcoming audit and the findings of the audit once completed;
- consider all relevant reports by the responsible officer, any internal auditors or the appointed external auditor, including reports on the school's accounts, achievement of value for money and the response to any management letters;
- monitor the implementation of action to address adverse control findings by the responsible officer, any internal auditors or the appointed external auditor;
- review the effectiveness of the school'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;
- consider and advise the board on the school's annual and long-term audit programme, ensuring that the school's internal controls are subject to appropriate independent scrutiny at least in accordance with government standards;
- review the operation of the school's code of practice for trustees and code of conduct for staff;
- consider any other matters where requested to do so by the board; and
- report at least once a year to the board on the discharge of the above duties.

Review of value for money

The value for money statement for The Mossley Academy Trust includes:

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

As accounting officer the headteacher understands the responsibility for value for money. Over the last financial period, 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, ICT support and sports support. In the development of our ICT suite we carried out a tendering process to gain the best value for money ensuring that the best service was obtained. During the year we took on the management of the kitchen and made an in depth study of the costings and transfer of staff. We have gained better deals for our washroom supplies and waste collection. As part of the kitchen refurbishment we went through the tendering process for the purchasing of the new extractor fan. All of the above were discussed with trustees and passed by the resources committee.

THE MOSSLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

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 period 1 August 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

The academy 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 (RO) and the trustees have appointed Haines Watts, to perform additional checks.

The external auditor and RO'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:

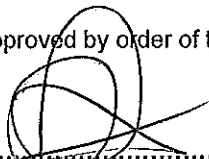
- the work of the responsible officer and the accountants
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework; and
- the EFA came into school to carry out 'Financial Management and Governance Self Assessment' audit. The recommendations have been addressed successfully.

THE MOSSLEY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2015

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 23/11/15 and signed on its behalf by:



.....
Andrew Mitchell
Chair of trustees



.....
Sue Aston
Accounting officer

THE MOSSLEY ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE PERIOD ENDED 31 AUGUST 2015

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.

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.

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.

Approved on 23/11/15 and signed by:



Sue Aston
Accounting officer

THE MOSSLEY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 AUGUST 2015

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:

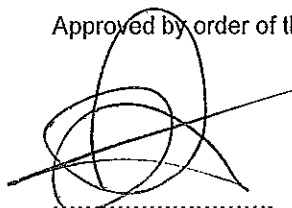
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 23/11/15 and signed on its behalf by:



.....
Andrew Mitchell
Chair of trustees

THE MOSSLEY ACADEMY TRUST

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

FOR THE PERIOD ENDED 31 AUGUST 2015

We have audited the accounts of The Mossley Academy Trust for the period ended 31 August 2015 which comprise income and expenditure account and statement of financial activities, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2015 issued by the EFA.

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 15, 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' annual 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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

THE MOSSLEY ACADEMY TRUST

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

FOR THE PERIOD ENDED 31 AUGUST 2015

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 (Senior Statutory Auditor)

Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: 23 November 2015

THE MOSSLEY ACADEMY TRUST

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

FOR THE PERIOD ENDED 31 AUGUST 2015

In accordance with the terms of our engagement letter dated 8 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Mossley Academy Trust during the period 26 June 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Mossley Academy Trust and the 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 the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Mossley Academy Trust and the 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 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 26 June 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

THE MOSSLEY ACADEMY TRUST

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

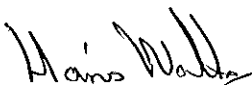
FOR THE PERIOD ENDED 31 AUGUST 2015

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 26 June 2014 to 31 August 2015 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: 23 November 2015

THE MOSSLEY ACADEMY TRUST

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

FOR THE PERIOD ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £000	Restricted funds £000	Fixed Asset funds £000	Total 2015 £000
Incoming resources					
<i>Resources from generated funds</i>					
- Voluntary income	2	56	10	-	66
- Inherited on conversion	23	51	(307)	3,241	2,985
- Activities for generating funds	3	44	65	-	109
<i>Resources from charitable activities</i>					
- Funding for educational operations	4	-	1,542	-	1,542
Total incoming resources		<u>151</u>	<u>1,310</u>	<u>3,241</u>	<u>4,702</u>
Resources expended					
<i>Costs of generating funds</i>					
- Fundraising trading	5	1	-	-	1
<i>Charitable activities</i>					
- Educational operations	6	7	1,509	55	1,571
Governance costs	7	-	42	-	42
Total resources expended	5	<u>8</u>	<u>1,551</u>	<u>55</u>	<u>1,614</u>
Net incoming/(outgoing) resources before transfers		143	(241)	3,186	3,088
Gross transfers between funds		(12)	(35)	47	-
Net income/(expenditure) for the period		<u>131</u>	<u>(276)</u>	<u>3,233</u>	<u>3,088</u>
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension scheme	17	-	(52)	-	(52)
Net movement in funds		131	(328)	3,233	3,036
Fund balances at 26 June 2014		-	-	-	-
Fund balances at 31 August 2015		<u>131</u>	<u>(328)</u>	<u>3,233</u>	<u>3,036</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the financial period above.

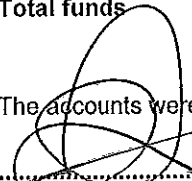
THE MOSSLEY ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£
Fixed assets			
Tangible assets	10		3,233
Current assets			
Stocks	11	2	
Debtors	13	29	
Cash at bank and in hand		264	
		<u>295</u>	
Current liabilities			
Creditors: amounts falling due within one year	12	(112)	
		<u></u>	
Net current assets			183
Net assets excluding pension liability			3,416
Defined benefit pension liability	17		(380)
			<u></u>
Net assets			3,036
			<u></u>
Funds of the academy trust:			
Restricted funds	15		
- Fixed asset funds			3,233
- General funds			52
- Pension reserve			(380)
			<u></u>
Total restricted funds			2,905
Unrestricted income funds	15		131
			<u></u>
Total funds			3,036
			<u></u>

The accounts were approved by order of the board of trustees and authorised for issue on 23/11/15


.....
Andrew Mitchell
Chair of trustees

Company Number 09104491

THE MOSSLEY ACADEMY TRUST

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2015

	Notes	31 August 2015 £000
Net cash inflow/(outflow) from operating activities	18	260
Cash funds transferred on conversion		<u>51</u>
		311
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets		<u>(47)</u>
Net cash flow from capital activities		<u>(47)</u>
Increase/(decrease) in cash	19	<u>264</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

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

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Mossley CE primary school to an academy trust have been valued at their fair value being a reasonable estimate of the current market values that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Mossley Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as a gift in the SOFA and analysed under unrestricted, restricted general and restricted fixed assets funds.

1.4 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations

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

Other income

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

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

1.5 Resources expended

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

Costs of generating funds

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

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.6 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 economic life. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where 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, 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

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income 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.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

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 quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each period.

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

1.11 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.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

2 Voluntary income

	Unrestricted funds £000	Restricted funds £000	Total 2015 £000
Insurance reclaim	-	10	10
Other donations	56	-	56
	<u>56</u>	<u>10</u>	<u>66</u>

3 Activities for generating funds

	Unrestricted funds £000	Restricted funds £000	Total 2015 £000
Catering income	35	65	100
School uniform	9	-	9
	<u>44</u>	<u>65</u>	<u>109</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2015 £000
DfE / EFA grants			
General annual grant (GAG)	-	1,450	1,450
Start up grants	-	25	25
Other DfE / EFA grants	-	50	50
	<u>-</u>	<u>1,525</u>	<u>1,525</u>
Other government grants			
Local authority grants	-	17	17
	<u>-</u>	<u>17</u>	<u>17</u>
Total funding	<u>-</u>	<u>1,542</u>	<u>1,542</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

5 Resources expended	Staff costs £000	Premises & equipment £000	Other costs £000	Total 2015 £000
Academy's educational operations				
- Direct costs	999	52	148	1,199
- Allocated support costs	164	20	188	372
	<u>1,163</u>	<u>72</u>	<u>336</u>	<u>1,571</u>
Other expenditure				
Costs of activities for generating funds	-	-	1	1
Governance costs	-	-	42	42
	<u>-</u>	<u>-</u>	<u>43</u>	<u>43</u>
Total expenditure	<u>1,163</u>	<u>72</u>	<u>379</u>	<u>1,614</u>
Net income/(expenditure) for the PERIOD includes:				2015
				£
Operating leases				
- Plant and machinery				2
Fees payable to auditor				
- Audit				6

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

6 Charitable activities	Unrestricted funds £000	Restricted funds £000	Total 2015 £000
Direct costs			
Teaching and educational support staff costs	-	991	991
Depreciation	-	52	52
Technology costs	-	27	27
Educational supplies and services	-	120	120
Staff development	-	8	8
Other direct costs	1	-	1
	<u>1</u>	<u>1,198</u>	<u>1,199</u>
Allocated support costs			
Support staff costs	-	164	164
Depreciation	-	3	3
Technology costs	-	3	3
Maintenance of premises and equipment	-	17	17
Cleaning	-	6	6
Energy costs	-	17	17
Rent and rates	-	13	13
Insurance	-	16	16
Catering	-	73	73
Additional pension costs	-	9	9
Other support costs	6	45	51
	<u>6</u>	<u>366</u>	<u>372</u>
Total costs	<u>7</u>	<u>1,564</u>	<u>1,571</u>
7 Governance costs	Unrestricted funds £000	Restricted funds £000	Total 2015 £000
Legal and professional fees	-	35	35
Auditor's remuneration			
- Audit of financial statements	-	6	6
- Other audit costs	-	1	1
	<u>-</u>	<u>42</u>	<u>42</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

8 Staff costs	2015
	£000
Wages and salaries	928
Social security costs	58
Other pension costs	156
	<u>1,142</u>
Supply teacher costs	13
Staff development and other staff costs	8
	<u>8</u>
Total staff costs	<u>1,163</u>

The average number of persons (including senior management team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	2015
	Number
Teachers	15
Administration and support	23
Management	3
	<u>41</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015
	Number
£60,001 - £70,000	1

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

9 Trustees' remuneration and expenses

One or more trustees have been paid remuneration or has received other benefits from an employment with the academy trust. The 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 (principal and trustee):
Remuneration £75,001 - £80,000
Employers' pension contribution £10,001 - £15,000

Mrs H Harrison (staff and trustee):
Remuneration £50,001 - £55,000
Employers' pension contribution £5,001 - £10,000

Mr B Heads (staff and trustee):
Remuneration £25,001 - £30,000
Employers' pension contribution £1,001 - £5,000

Mr L Dale (staff and trustee):
Remuneration £10,001 - £15,000
Employers' pension contribution £1,001 - £5,000

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 for the period ended 31 August 2015 is included in the total cost of a combined insurance premium.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

10 Tangible fixed assets	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000
Cost				
At 26 June 2014	-	-	-	-
Additions	-	18	29	47
Transfer on conversion	3,226	15	-	3,241
	<u>3,226</u>	<u>15</u>	<u>-</u>	<u>3,241</u>
At 31 August 2015	<u>3,226</u>	<u>33</u>	<u>29</u>	<u>3,288</u>
Depreciation				
At 26 June 2014	-	-	-	-
Charge for the period	46	8	1	55
	<u>46</u>	<u>8</u>	<u>1</u>	<u>55</u>
At 31 August 2015	<u>46</u>	<u>8</u>	<u>1</u>	<u>55</u>
Net book value				
At 31 August 2015	<u>3,180</u>	<u>25</u>	<u>28</u>	<u>3,233</u>
11 Stocks				2015 £000
School uniform				<u>2</u>
12 Creditors: amounts falling due within one year				2015 £000
Trade creditors				29
Taxes and social security costs				37
Accruals				6
Deferred income				40
				<u>112</u>
13 Debtors				2015 £000
Other debtors				2
Prepayments and accrued income				27
				<u>29</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

14	Deferred income	2015
		£000
	Deferred income is included within:	
	Creditors due within one year	40
		<u>40</u>
	Total deferred income at 26 June 2014	-
	Amounts credited to the statement of financial activities	-
	Amounts deferred in the period	40
		<u>40</u>
	Total deferred income at 31 August 2015	40
		<u>40</u>

At the balance sheet date the academy trust was holding funds received in advance of the 2015/16 academic year for the free school meals programme and income received in advance of educational visits to take place in 2015/16.

15	Funds	
	Balance at 26 June 2014	Incoming resources
	£000	£000
	Balance at 31 August 2015	Gains, losses & transfers
	£000	£000
	Restricted general funds	
	General Annual Grant	52
	Start up grants	-
	Other DfE / EFA grants	-
	Other government grants	-
	Other restricted funds	-
	<u>-</u>	<u>52</u>
	Funds excluding pensions	52
	Pension reserve	(380)
	<u>-</u>	<u>(380)</u>
	<u>-</u>	<u>(328)</u>
	Restricted fixed asset funds	
	DfE / EFA capital grants	40
	Inherited fixed asset fund	3,193
	<u>-</u>	<u>3,193</u>
	<u>-</u>	<u>47</u>
	<u>-</u>	<u>3,233</u>
	Total restricted funds	2,905
	<u>-</u>	<u>(40)</u>
	<u>-</u>	<u>(1,606)</u>
	Unrestricted funds	
	General funds	131
	<u>-</u>	<u>(12)</u>
	<u>-</u>	<u>(8)</u>
	<u>-</u>	<u>151</u>
	Total funds	3,036
	<u>-</u>	<u>(52)</u>
	<u>-</u>	<u>(1,614)</u>
	<u>-</u>	<u>4,702</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

15 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.

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.

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

16 Analysis of net assets between funds

	Unrestricted funds £000	Restricted funds £000	Fixed asset funds £000	Total funds £000
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	3,233	3,233
Current assets	131	164	-	295
Creditors falling due within one year	-	(112)	-	(112)
Defined benefit pension liability	-	(380)	-	(380)
	<u>131</u>	<u>(328)</u>	<u>3,233</u>	<u>3,036</u>

17 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 2015 and that of the LGPS related to the period ended 31 August 2015.

Contributions amounting to £18,165 were payable to the schemes at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

17 Pensions and similar obligations

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £82,000.

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with 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 £62,000.

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 represent 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.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

17 Pensions and similar obligations

Contributions made **2015**
£000

Employer's contributions 57
 Employees' contributions 13

Total contributions 70

Principal actuarial assumptions **2015**
%

Rate of increase in salaries 3.6
 Rate of increase for pensions in payment 2.7
 Discount rate for scheme liabilities 3.8

Sensitivity analysis

Change in assumptions at 31 August 2015	Approximate % increase to employer liability	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	14%	90
1 year increase in member life expectancy	3%	20
0.5% increase in the Salary Increase Rate	8%	50
0.5% increase in the Pension Increase Rate	6%	38

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

	2015 Years
Retiring today	
- Males	22.3
- Females	24.4
Retiring in 20 years	
- Males	24.1
- Females	<u>26.7</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

17 Pensions and similar obligations

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

	2015 Expected return %	2015 Fair value £000
Equities	3.8	195
Bonds	3.8	50
Property	3.8	25
Other assets	3.8	8
	<hr/>	<hr/>
Total market value of assets		278
Present value of scheme liabilities - funded		(658)
		<hr/>
Net pension asset / (liability)		(380)
		<hr/>

The expected rate of return are set equal to the discount rate.

Amounts recognised in the statement of financial activities

	2015 £000
Operating costs/(income)	
Current service cost (net of employee contributions)	69
Past service cost	-
	<hr/>
Total operating charge	69
	<hr/>
Finance costs/(income)	
Expected return on pension scheme assets	(14)
Interest on pension liabilities	23
	<hr/>
Net finance costs/(income)	9
	<hr/>
Total charge/(income)	78
	<hr/>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

17 Pensions and similar obligations

Actuarial gains and losses recognised in the statement of financial activities

	2015 £000
Actuarial (gains)/losses on assets: actual return less expected	(5)
Experience (gains)/losses on liabilities	57
(Gains)/losses arising from changes in assumptions	-
	<hr/>
Total (gains)/losses	52
	<hr/>
Cumulative (gains)/losses to date	52
	<hr/>

Movements in the present value of defined benefit obligations

	2015 £000
Obligations acquired on conversion	(496)
Current service cost	(69)
Interest cost	(23)
Contributions by employees	(13)
Actuarial gains/(losses)	(57)
	<hr/>
At 31 August 2015	(658)
	<hr/>

Movements in the fair value of scheme assets

	2015 £000
Assets at 26 June 2014	189
Expected return on assets	14
Actuarial gains/(losses)	5
Contributions by employers	57
Contributions by employees	13
	<hr/>
At 31 August 2015	278
	<hr/>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

17 Pensions and similar obligations

History of experience gains and losses

	2015
	£000
Present value of defined benefit obligations	(658)
Fair value of share of scheme assets	278
	<u>(380)</u>
Surplus / (deficit)	<u>(380)</u>
Experience adjustment on scheme assets	5
Experience adjustment on scheme liabilities	-
	<u>-</u>

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015
	£000
Net income	3,088
Net deficit/(surplus) transferred on conversion	(2,985)
Defined benefit pension costs less contributions payable	12
Defined benefit pension finance costs/(income)	9
Depreciation of tangible fixed assets	55
(Increase)/decrease in stocks	(2)
(Increase)/decrease in debtors	(29)
Increase/(decrease) in creditors	112
	<u>260</u>
Net cash inflow/(outflow) from operating activities	<u>260</u>

19 Reconciliation of net cash flow to movement in net funds

	2015
	£000
Increase/(decrease) in cash	264
Net funds at 26 June 2014	-
	<u>264</u>
Net funds at 31 August 2015	<u>264</u>

20 Analysis of net funds

	At 26 June 2014	Transferred on conversion	Cash flows	Non-cash changes	At 31 August 2015
	£000	£000	£000	£000	£000
Cash at bank and in hand	<u>-</u>	<u>51</u>	<u>213</u>	<u>-</u>	<u>264</u>

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

21 Commitments under operating leases

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

	2015 £000
Expiry date:	
- Within one year	2
- Between two and five years	5
	<hr/>
	6
	<hr/>

22 Related parties

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 £280 in relation to room hire. There were no amounts outstanding at 31 August 2015.

Eaton Bank Academy is a company in which Mrs S Aston, the principal and a trustee; K Smith, a trustee and R Simpson, a trustee have an interest. During the year, The Mossley Academy Trust paid £630 to Eaton Bank Academy in relation to professional charges. There were no amounts outstanding at 31 August 2015.

There have been no other transactions with related parties that require reporting under FRS8.

THE MOSSLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

23 Conversion to an academy

On 1 August 2014 the Mossley CE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Mossley Academy Trust from the East Cheshire Local Authority for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Funds surplus/(deficit) transferred:	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total 2015 £
Fixed assets funds	-	-	3,241	3,241
LA budget funds	51	-	-	51
LGPS pension funds	-	(307)	-	(307)
	<u>51</u>	<u>(307)</u>	<u>3,241</u>	<u>2,985</u>
Net assets transferred:				£
Leasehold land and buildings				3,241
Cash				51
Pension surplus/(deficit)				<u>(307)</u>
				<u>2,985</u>

24 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.