

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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CHENDERIT SCHOOL ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Member Trustees	Mr Roger Bell, Chair of Governors ¹ Mrs Nicola Bell, Vice Chair, Chair of Teaching & Learning Committee ² Mrs Sarah Holley, Chair of Students, Families & Community Committee ³ Mrs Lisa Davis, Chair of Resources Committee ¹ Mr Nicholas Bullen ¹ Mrs ETTY Martin (resigned 29 September 2014)
Other Trustees	Mr Graham Tyrer, Head Teacher and Accounting Officer (resigned 31 December 2014) Mrs Jane Cartwright, Appointed Head Teacher and Accounting Officer 1 January 2015 (appointed Trustee 18 November 2014) ¹ Mr Steve Scanlon (resigned 2 October 2015) ² Mr Doug Scott ¹ Mr Bryan Quay ¹ Mr Graham Hunt ¹ Mr Stephen Meacham ² Mrs Hazel Sykes ² Mrs Katy Western-Kaye (resigned 13 March 2015) ² Mrs Joanne Dowden (appointed 19 January 2015) ³ Mrs Marian Carter (appointed 29 June 2015) ² Ms Kim Norris, Staff Governor (appointed 19 May 2015, resigned 18 November 2015) ³ Mr Paul Jervis (appointed 3 February 2015) ¹ Ms Salma Bora, Staff Governor (appointed 3 February 2015) ³ Dr Cathy Haycock, Staff Governor (appointed 3 February 2015) ² Dr Polly Davies (appointed 19 January 2015) ³
	¹ Resources Committee ² Teaching and Learning Committee ³ Students, Families and Community Committee
Company registered number	07900254
Principal and registered office	Chenderit School Archery Road Middleton Cheney Banbury Oxfordshire OX17 2QR
Company secretary	Mrs Beverley Martin
Senior management team	Mrs Jane Cartwright, Headteacher and Accounting Officer (appointed 1 January 2015) Mrs Katherine Mobberley, Deputy Head Mr Roddy Lloyd-Jones, Deputy Head (appointed 13 April 2015) Mr Patrick Taylor, Assistant Headteacher and Director of Teaching Mr Mark Woodcock, Assistant Headteacher Miss Natalie Dale, Assistant Headteacher and Head of English

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS**
FOR THE YEAR ENDED 31 AUGUST 2015

Administrative details (continued)

Independent auditor	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors Peterbridge House The Lakes Northampton NN4 7HB
Bankers	National Westminster Bank Plc 41 The Drapery Northampton NN1 2EY
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

CHENDERIT SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Chenderit School Academy Trust (the Academy Trust) for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Structure, governance and management

CONSTITUTION

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The company was incorporated on 6 January 2012. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governors act as the Trustees for the charitable activities of Chenderit School Academy Trust Limited (known as 'Chenderit School') and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Chenderit School Academy Trust.

Details of the Trustees who served during the year are included in the reference and administration details in page 1.

MEMBERS' LIABILITY

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

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

The Board of Trustees is responsible for appointing Governors except for parent governors and staff governors who are elected by a secret ballot. Governors are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire. The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All governors have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual but attention is given to more specific training requirements.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

ORGANISATIONAL STRUCTURE

Chenderit School Academy Trust has adjusted its structure within the year following the appointment of the substantive Headteacher. The structure takes account of changing priorities particularly in relation to the new Ofsted framework, the latest Ofsted "good" judgement (October 2013) and the key priorities of the school, determined in the light of known best practice. Whilst the organisational structure is continually kept under review it currently consists of a core Leadership Team comprising of Headteacher (also known as Accounting Officer), two Deputy Heads (1. Student Progress and Curriculum and 2. Behaviour for Learning), an Assistant Headteacher (Director of Teaching) an Assistant Head (Operations and with key Departmental responsibilities in DT), and an Assistant Head (oversight of 5+ A*-C EM, with key Departmental responsibilities in English). Other Leadership posts include a Head of Sixth Form and Social Science, SENDCO, two Leading Practitioners, Heads of Department (curriculum) and Heads of Learning (pastoral) who provide additional support, as required.

The aim of the Leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy Trust benefits from its relationship with South West Area Northants (SWAN) Schools Network which enables key personnel from the school to share and benefit from consultation with other similar Schools and Academies.

RISK MANAGEMENT

The governors continue to monitor the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance statement.

TRUSTEES' INDEMNITIES

The Academy Trust has purchased insurance to cover governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. Details of the costs can be found in note 12 to the accounts.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

PRINCIPAL ACTIVITIES

Chenderit School Academy Trust has continued to operate as an Academy for the full year to 31 August 2015. The Academy Trust's principal activities are:

- (a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and
- (b) to promote for the benefit of individuals living in Middleton Cheney and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

Objectives and Activities

OBJECTS AND AIMS

The principal object and activity of the charitable company is the operation of Chenderit School Academy Trust to provide education for pupils of different abilities between the ages of 11 and 19.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Academy during the financial year ended 31 August 2015 are encompassed in its mission statement which is detailed below:

- the school should be a secure, pleasant and supportive environment; this means our school should be thriving, dynamic, supportive and challenging;
- all members of the school should respect each other and treat others in the way they would want to be treated themselves; we actively support and monitor equal opportunities and are sensitive to the issues of race, gender, social background and culture;
- we all work together to make learning enjoyable and satisfying for everyone; we see lifelong learning as a goal for us all and learning should be about passion and ambition with quality at its heart;
- everyone should have the opportunity to fulfil their ambitions, dreams and goals and everyone should have their achievements recognised; we have creative responses to the dreams and ambitions of others, we seek to unlock talent and for every member of our community to "walk a step or two with genius", our expectation is for all of us to be the best we can be;
- we shall work together to build good relationships within and beyond the school gates; we seek to be responsible citizens and actively promote community responsibility, we are members of local, regional, national and global communities and we seek to engender amongst learners a sense of tolerance, understanding and integrity;
- every person is valued and must receive equal opportunities; everyone should have an entitlement to education and support. Through the active promotion of the principles of equality of opportunity, we demonstrate how much we value each other.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

PUBLIC BENEFIT

The Academy Trust promotes education for the benefit of the local community of Middleton Cheney and offers recreational facilities to a variety of local community groups outside of School hours for the benefit of the general public.

Strategic Report

Achievements and performance

REVIEW OF ACTIVITIES

During the last financial year the Academy Trust has continued to maintain forecast student numbers.

At A level, the vast majority of students either attained or exceeded their target grades with: 9% of all students achieving A* which is the best in the school's history (national average: 8%); 20% of students achieving A* or A grades (against the Advanced Level Performance System (ALPS) target of 12%); 50% achieving A*-B grades (against the ALPS target of 41%) and 98.5% achieved an overall pass (national average: 98%).

At GCSE, following a period of national volatility, the school has stabilised and is again achieving results that are characteristic for its comprehensive intake. In 2015, 75% of all Year 11 students achieved 5+ GCSEs at grades A*-C, with 67% of all students achieving 5+ GCSEs at grades A*-C including English and maths (national average in 2014 was 53.4%). 27% of students achieved 3+ A*-A grades, 39% of students achieved the English Baccalaureate and 97.2% achieved 5+ A* to G grades. 78% of students taking English GCSE achieved A*-C grades with 82% of the cohort making 3 levels of progress and 46% making 4+ levels of progress. A quarter of all grades in English were A* or A. In maths, 73% of students achieved A*-C grades at GCSE with 72% of the cohort making 3 levels of progress and 27% making 4+ levels of progress. Almost a fifth of all grades in maths were A* or A.

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.

KEY PERFORMANCE INDICATORS

The Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total income. For the year ended 31 August 2015 staffing costs amounted to 81% (2014 - 72%) of non-capital income.

The Academy Trust also monitors its operating surplus or deficit (excluding restricted fixed assets and actuarial gains or losses) as a percentage of total non-capital income. For the year ended 31 August 2015 the operating surplus equated to 1% (2014 - 4%) of total non-capital income.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The Academy Trust also uses a number of non-financial key performance indicators to monitor its performance. These include:

- GCSE percentage of A*-C passes, including English and Maths. A level pass rates at A*-B and A*-E;
- We increasingly use levels of progress measures in all subjects which are commented on above;
- We measure recruitment and retention rates for our Sixth form. Our retention from Year 11 is at approximately 55%
- Student attendance in KS3/4 was 93%.

INVESTMENT POLICY AND PERFORMANCE

The Governing Body has approved a treasury management statement as part of the Financial Procedures Manual, which documents the Academy Trust's investment policy.

The Trust's general investment policy, where possible, is to invest surplus cash reserves with High Street banks with a high credit rating where the capital invested is guaranteed. Investment returns are market tested periodically to ensure that returns are maximised whilst safeguarding the funds invested.

Financial review

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Academy Trust also received grants for fixed assets from the EFA and other funding bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year to 31 August 2015, total revenue expenditure of £5,685,150 (2014 - £5,818,009) (excluding depreciation) was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £32,526 (2014 £233,721).

At 31 August 2015 the net book value of fixed assets was £9,533,263 (2014 - £9,715,345) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy's risk management procedures are outlined below. The Trustees believe that its risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing the Academy Trust.

The Academy Trust does not have significant trade debtors as invoiced income is a minor ancillary activity. Lettings income is minimal and very much linked to the School's community responsibilities to encourage local organisations particularly where school pupil involvement is encouraged.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Cash flow is monitored daily by the Academy Trust and budgets presented to the Governing Body consider cash flow and liquidity in detail.

Financial position

The Academy held fund balances at 31 August 2015 of £9,550,370 (2014 - £9,455,599) comprising £10,118,961 (2014 - £9,942,811) of restricted funds and £204,409 (2014 - £210,788) of unrestricted general funds and a pension reserve deficit of £773,000 (2014 - £698,000).

PRINCIPAL RISKS AND UNCERTAINTIES

Through the Academy Trust's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the Governing Body are:

- Change in government funding regime - the Academy receives over 90% of its income from Government agencies;
- Reduction in student numbers for example through increased provision and therefore competition locally (i.e. the opening of a number of new providers, including sixth form providers, in the local area).
- Attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible Academy funding methodology;
- Appropriate organisational structure with several tiers of review;
- Internal quality assurance reviews and self-assessments supported by external reviews.
- Newly formed governors' Marketing Strategy, ICT and Audit Groups

RESERVES POLICY

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £204,409 (2014 - £210,788). The Academy intends to continue building up free reserves as required.

Included within restricted funds at 31st August 2015 is the Local Government Pension Scheme deficit of £773,000 (2014 - £698,000). The pension deficit is viewed as a long term debt and annual contributions are adjusted as necessary to mitigate the risk and reduce the deficit.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Plans for future periods

FUTURE DEVELOPMENTS

The Academy Trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students secure employment or a place in further or higher education once they leave.

The Academy Trust will also continue developing all aspects of local education by supporting its Primary feeder schools and other schools through the SWAN group. The Academy Trust will continue bringing national best practice into its school through the two colleagues who were previously Additional Inspectors for SERCO and Tribal but are now contracted with Ofsted directly, as Ofsted Inspectors.

In October 2013, we had external validation from Ofsted, who said:

- Almost all groups of students, including disabled students and those who have special educational needs make good progress in all year groups and across most subjects;
- The main reason why students make good progress is because they benefit from teaching which is usually good and sometimes outstanding;
- Most teachers show that they have high expectations of what students are capable of achieving, and plan challenging lessons. As a result students work hard and demonstrate very positive attitudes to learning;
- Students behave well, both in lessons and at break times. They are polite, courteous and well mannered. They have a good understanding of safety matters and feel safe at school;
- All leaders and managers, including governors, have a good understanding of the Academy's strengths and areas for improvement. They are using this continuously and effectively to improve teaching and achievement;
- Consequently, they have demonstrated that they have a strong capacity to ensure that further improvements are achieved;
- The sixth form is good. Students make good and sometimes outstanding progress as a result of teaching that is consistently at least good and sometimes outstanding.

Chenderit School is not yet an outstanding school because:

- The proportion of middle-ability students who make and exceed the progress expected nationally in English and Mathematics is not as high as it could be;
- A small proportion of teaching is not as good as it should be;
- Although good overall, the achievement of boys is not as good as that of girls.

Much work has been undertaken to address the Ofsted priority areas above. The introduction of streamlined department reviews, subsequent action planning and further reviews is leading to improved outcomes for students, as referred to earlier.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

This report, incorporating the Strategic Report, was approved by order of the board of trustees, as the company directors, on 7 December 2015 and signed on the board's behalf by:

Mr R Bell
Chair of Trustees

CHENDERIT SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Chenderit School 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 Head Teacher, 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 Chenderit School 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 Trustees' Responsibilities Statement. The board of trustees has formally met 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Roger Bell, Chair of Governors	7	8
Mrs Nicola Bell, Vice Chair, Chair of Teaching & Learning Committee	7	8
Mrs Sarah Holley, Chair of Students, Families & Community Committee	7	8
Mrs Lisa Davis, Chair of Resources Committee	7	8
Mr Nicholas Bullen	2	8
Mrs Jane Cartwright, Appointed Head Teacher and Accounting Officer 1 January 2015	7	7
Mr Steve Scanlon	5	8
Mr Doug Scott	8	8
Mr Bryan Quy	7	8
Mr Graham Hunt	6	8
Mr Stephen Meacham	5	8
Mrs Hazel Sykes	6	8
Mrs Katy Western-Kaye	3	6
Mrs Joanne Dowden	0	5
Mrs Marian Carter	1	1
Ms Kim Norris, Staff Governor	1	2
Mr Paul Jervis	3	4
Ms Salma Bora, Staff Governor	4	4
Dr Cathy Haycock, Staff Governor	3	4
Dr Polly Davies	3	4

Governance reviews:

The Trustees, through the Governing Body and its committee structure (including Audit Committee) monitor operation of internal controls by way of visits, regular questioning and review of accounting package information to management reports produced. Overall governance is supported by periodic training with a full days training for all Governors which took place on 22 November 2014.

The Resources Committee (formerly the Strategic Resources Committee) is a sub-committee of the main Governing Body. Its purpose is to oversee the resources strategy in terms of budget, finance, personnel and site development.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Roger Bell, Chair of Governors	6	6
Mrs Lisa Davies, Chair of Resources Committee	6	6
Mr Graham Hunt	2	6
Mr Bryan Quy	4	6
Mr Doug Scott	5	6
Mr Paul Jervis	3	3
Mrs Jane Cartwright, Head Teacher and Accounting Officer	6	6

REVIEW OF VALUE FOR MONEY

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

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

- Committing to providing all groups of students with the highest possible educational experience, enabling each and every individual student to achieve his or her full potential;
- Determining, with the full support of the Governing Body and Trustees,
 - o a clear vision statement,
 - o wide-ranging key performance indicators which lead to impact upon the whole school community and which have been monitored regularly by the Governing Body and
 - o a comprehensive school improvement plan which details ambitious whole school student targets in the key areas;
- Reviewing the curriculum to ensure it remained efficient and effective and met the needs of all students;
- Reviewing staffing structures regularly in line with curriculum demands, with high priority given to appointing best available, subject specialist, quality teachers. All vacancies have been advertised externally (e.g. via the website) with Chenderit being committed to complying with all aspects of the Equality Act and associated policies;
- Introducing rigorous whole staff appraisal procedures to create a culture of personal and collaborative success through which strengths could be identified and areas of weaknesses addressed and
- Maintaining a lean, loyal support staff complement that has been regularly reviewed to ensure appropriate and fully trained provision to meet increasing demands and analysis. Our policy has been to ensure that funding for students remains a priority.

Chenderit has taken great pride in ensuring that each student has been given the maximum opportunity to develop not just academically but in the widest possible sense through a broad range of activities. Student outcomes for the period were very positive.

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GOVERNANCE STATEMENT (continued)

At GCSE 66.5% of all students achieved 5+ A*-C including English and maths. Our progress 8 score was positive at 0.07. We dedicated additional resources to the gifted and talented and to disadvantaged pupils (DP) through a range of programs targeted at the individuals' specific needs. For example, additional appointments were made to ensure the efficiency of these programs and funding was specifically targeted at improving the provision in core subject areas for eligible students with twilight revision classes, weekend and school holiday sessions. As a result, we have successfully narrowed the gap between the progress of the whole cohort and that of disadvantaged students: our Progress 8 score for DP students was 0.12.

At A Level, 9% of all entries were graded at A*, which is the best in the school's history. 20% of all entries were graded at A*-A (ALPS target 12%), 50% of all entries were graded at A*-B (ALPS target 41%) and 98.5% of all entries passed.

Chenderit works closely with its cluster primaries and organises training for the mutual benefit of staff and students with regular academic and sporting visits from our primary schools. Primary/Secondary student transition was again given high priority with a four day all-encompassing student transition building upon the many events held throughout the year with students benefiting considerably from being confident in their surroundings when they commence at Chenderit.

In October 2013 Chenderit received an Ofsted good grading with many outstanding areas and those few areas mentioned for development have and will continue to receive attention.

Chenderit has built on its financial success as an academy keeping a surplus excluding restricted fixed assets and actuarial losses whilst still ensuring all delegated funding is correctly targeted. Despite ageing premises student provision has been improved with IT receiving significant investment. In looking to the future the school has sought architect proposal for improving its classroom facilities.

All areas of expenditure are closely monitored with a number of savings being achieved by negotiation of 3 year contracts giving both financial and operational benefits (e.g. insurance, software provision and service contracts and purchase of second hand office furniture). Additional investments in new technology for administration and parent interaction have been implemented (e.g. Sims Gateway improvements).

The school, encouraged by its students, has made considerable progress in energy saving and generation schemes with several SALIX funded projects. These, coupled with a photo-voltaic energy generation scheme, continue to producing financial rewards benefiting the whole school.

The full Governing Body, supported by a Resources Committee are provided with regular detailed information and a recent review of internal controls and risk management has confirmed that financial procedures are fit for purpose, providing governors with the appropriate level of involvement, whilst not being overly cumbersome or impractical for school leadership. The risk register and monthly management accounts continue to assist governors with monitoring and improve all aspects of control and governance

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chenderit School Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (continued)

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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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

- Testing of income systems;
- Testing of purchases and expenses systems
- Testing of control account and bank reconciliations;
- Testing of payroll systems

The auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

CHENDERIT SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources 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 7 December 2015 and signed on its behalf, by:

Mr R Bell
Chair of Trustees

Mrs J Cartwright
Headteacher & Accounting Officer

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Chenderit School 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 (2014).

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

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

Mrs J Cartwright
Headteacher &
Accounting Officer

Date: 7 December 2015

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

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

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

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

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

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

Mr R Bell
Chair of Trustees

Date: 7 December 2015

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHENDERIT SCHOOL ACADEMY TRUST

We have audited the financial statements of Chenderit School Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, set out on page 14, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHENDERIT SCHOOL ACADEMY TRUST

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Elaine Olson-Williams FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Peterbridge House
The Lakes
Northampton
NN4 7HB
Date:

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 21 July 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 Chenderit School Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Chenderit School Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Chenderit School 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 Chenderit School Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF CHENDERIT SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

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

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

APPROACH

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

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

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

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

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHENDERIT SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- Reviewing the Minutes of meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.
- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy.
- Testing a sample of payroll payments to staff.
- Testing of a sample of payments to suppliers and other third parties.
- Testing a sample of grants received and other income streams.
- Evaluating the internal control procedures and reporting lines, and testing as appropriate.
- Making appropriate enquiries of the Accounting Officer.

CONCLUSION

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

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date:

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Donations	2	13,972	-	-	13,972	13,897
Activities for generating funds	3	60,083	-	-	60,083	172,842
Investment income	4	2,331	1,000	-	3,331	5,000
Incoming resources from charitable activities:						
Funding for the Academy Trust's educational operations	5	-	5,682,517	388,178	6,070,695	5,932,309
TOTAL INCOMING RESOURCES		76,386	5,683,517	388,178	6,148,081	6,124,048
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income		14,497	-	-	14,497	-
Fundraising expenses and other costs		66,420	-	-	66,420	127,462
Charitable activities:						
Academy Trust's educational operations	7	-	5,567,974	332,843	5,900,817	5,982,587
Governance costs	8	-	22,576	-	22,576	22,918
TOTAL RESOURCES EXPENDED	6	80,917	5,590,550	332,843	6,004,310	6,132,967
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		(4,531)	92,967	55,335	143,771	(8,919)

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	18	(1,848)	(54,062)	55,910	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(6,379)	38,905	111,245	143,771	(8,919)
Actuarial gains and losses on defined benefit pension schemes		-	(49,000)	-	(49,000)	(237,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(6,379)	(10,095)	111,245	94,771	(245,919)
Total funds at 1 September 2014		210,788	(470,534)	9,715,345	9,455,599	9,701,518
TOTAL FUNDS AT 31 AUGUST 2015		204,409	(480,629)	9,826,590	9,550,370	9,455,599

All activities relate to continuing operations.

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

The notes on pages 27 to 48 form part of these financial statements.

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07900254

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	13		9,533,263		9,715,345
CURRENT ASSETS					
Stocks	14	11,188		26,798	
Debtors	15	116,470		97,148	
Cash at bank and in hand		959,229		672,998	
			<u>1,086,887</u>	<u>796,944</u>	
CREDITORS: amounts falling due within one year	16	(273,769)		(324,834)	
NET CURRENT ASSETS			<u>813,118</u>		<u>472,110</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,346,381</u>		<u>10,187,455</u>
CREDITORS: amounts falling due after more than one year	17		<u>(23,011)</u>		<u>(33,856)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>10,323,370</u>		<u>10,153,599</u>
Defined benefit pension scheme liability	25		<u>(773,000)</u>		<u>(698,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>9,550,370</u></u>		<u><u>9,455,599</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	18	292,371		227,466	
Restricted fixed asset funds	18	9,826,590		9,715,345	
			<u>10,118,961</u>	<u>9,942,811</u>	
Restricted funds excluding pension liability					
Pension reserve		(773,000)		(698,000)	
			<u>9,345,961</u>	<u>9,244,811</u>	
Total restricted funds			<u>9,345,961</u>		<u>9,244,811</u>
Unrestricted funds	18		<u>204,409</u>		<u>210,788</u>
TOTAL FUNDS			<u><u>9,550,370</u></u>		<u><u>9,455,599</u></u>

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2015

The financial statements were approved by the Trustees, and authorised for issue, on 7 December 2015 and are signed on their behalf, by:

Mr R Bell
Chair of Trustees

Mrs J Cartwright
Headteacher & Accounting Officer

The notes on pages 27 to 48 form part of these financial statements.

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	20	516,593	236,248
Returns on investments and servicing of finance	21	3,331	5,000
Capital expenditure and financial investment	21	(137,078)	(83,863)
CASH INFLOW BEFORE FINANCING		382,846	157,385
Financing	21	(96,615)	(109,248)
INCREASE IN CASH IN THE YEAR		286,231	48,137

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	286,231	48,137
Cash outflow from decrease in debt and lease financing	96,615	109,248
MOVEMENT IN NET FUNDS IN THE YEAR	382,846	157,385
Net funds at 1 September 2014	542,527	385,142
NET FUNDS AT 31 AUGUST 2015	925,373	542,527

The notes on pages 27 to 48 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Academy 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

• Sponsorship income

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

• Donated goods, facilities and services

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

• Donations

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

• **Other income**

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

1.4 Resources expended

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

• **Costs of generating funds**

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

• **Charitable Activities**

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

• **Governance costs**

Governance costs 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.

1.5 Tangible fixed assets and depreciation

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

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

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.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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

Long Term Leasehold Property	-	2% straight line or expected useful economic life if lower
Long Term Leasehold Land	-	0.8% straight line
Office equipment	-	20% straight line
Computer equipment	-	33% straight line
Fixtures and fittings	-	10% straight line

1.6 Operating leases

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

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.8 Taxation

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

1.9 Pensions

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

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

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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

1.10 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 funders where the asset acquired or created is held for a specific purpose.

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

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	13,972	-	13,972	13,897
Voluntary income	13,972	-	13,972	13,897

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Rental income/hire of facilities	5,711	-	5,711	4,153
School uniform	26,515	-	26,515	46,000
Other income	27,857	-	27,857	122,689
	<u>60,083</u>	<u>-</u>	<u>60,083</u>	<u>172,842</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Interest received	2,331	-	2,331	5,000
Pension income	-	1,000	1,000	-
	<u>2,331</u>	<u>1,000</u>	<u>3,331</u>	<u>5,000</u>

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General annual grant (GAG)	-	5,282,001	5,282,001	5,520,272
Pupil premium	-	101,311	101,311	84,136
Capital grants	-	13,683	13,683	23,457
Other EFA income	-	9,150	9,150	-
	-	5,406,145	5,406,145	5,627,865
Other government grants				
Local authority grants	-	44,905	44,905	121,815
Local authority capital grant	-	374,495	374,495	-
	-	419,400	419,400	121,815
Other income				
Trip income	-	212,556	212,556	182,629
Other income	-	32,594	32,594	-
	-	245,150	245,150	182,629
	-	6,070,695	6,070,695	5,932,309

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Costs of generating voluntary income	-	-	14,497	14,497	-
Fundraising expenses	-	-	66,420	66,420	127,462
Costs of generating funds	-	-	80,917	80,917	127,462
Direct costs	4,036,445	-	459,507	4,495,952	4,516,344
Support costs	613,858	556,124	234,883	1,404,865	1,466,243
Charitable activities	4,650,303	556,124	694,390	5,900,817	5,982,587
Governance	-	-	22,576	22,576	22,918
	4,650,303	556,124	797,883	6,004,310	6,132,967

CHENDERIT SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching & educational support staff	3,404,163	3,477,255
National insurance	223,061	232,820
Pension cost	409,221	407,974
Educational supplies	103,377	53,249
Staff development	19,590	35,084
Educational trips	218,272	194,182
Examination fees	118,268	115,780
	4,495,952	4,516,344
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	413,779	409,958
National insurance	27,601	30,347
Pension cost	172,478	146,817
Depreciation	319,160	314,958
FRS 17 Pension costs	-	4,000
Recruitment costs	31,382	34,515
Insurance	39,270	39,190
Technology costs	17,656	9,938
Maintenance of premises and equipment	145,334	194,606
Cleaning	1,332	1,788
Rent and rates	25,723	21,149
Light and heat	64,575	62,108
Security and transport	11,017	9,250
Catering	15,037	14,484
Legal and professional fees	46,337	45,558
Bank charges	1,848	2,094
Loss on disposal of fixed assets	-	1,666
Other costs	72,336	123,817
	1,404,865	1,466,243
	5,900,817	5,982,587

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8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	8,750	8,750	8,500
Auditors' non audit costs	-	11,580	11,580	5,426
Legal and professional costs	-	2,246	2,246	8,992
	<u>-</u>	<u>22,576</u>	<u>22,576</u>	<u>22,918</u>

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	319,160	314,958
Auditor's remuneration	8,750	8,500
Auditor's remuneration - non-audit	11,580	5,426
	<u>339,490</u>	<u>338,884</u>

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,757,770	3,804,808
Social security costs	250,662	263,167
Other pension costs (Note 25)	581,699	554,791
	<u>4,590,131</u>	<u>4,622,766</u>
Supply teacher costs	60,172	82,405
	<u>4,650,303</u>	<u>4,705,171</u>

b. Staff severance payments

Included in staff costs are non-statutory/non-contractual severance payments totalling £nil (2014 - £4,766).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

10. STAFF (continued)

c. Staff numbers

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

	2015	2014
	No.	No.
Teachers	69	63
Administration and Support	40	45
Management	6	6
	<u>115</u>	<u>114</u>

d. Higher paid staff

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

	2015	2014
	No.	No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £21,026 (2014: £30,531).

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NOTES TO THE FINANCIAL STATEMENTS
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11. TRUSTEES' REMUNERATION AND EXPENSES

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

	2015	2014
	£	£
Mrs Jane Cartwright, Head Teacher and Accounting Officer (appointed 1 January 2015)		
Remuneration	80-85,000	0
Employer's Pension Contribution	10-15,000	0
Mr Graham Tyrer, Head Teacher and Accounting Officer (retired 31 December 2014)		
Remuneration	40-45,000	100-105,000
Employer's Pension Contribution	5-10,000	10-15,000
Mr Doug Scott (resigned from post of Business Manager 31 December 2014)		
Remuneration	15-20,000	45-50,000
Employer's Pension Contribution	0-5,000	10-15,000
Ms Salma Bora, Staff Governor		
Remuneration	20-25,000	0
Employer's Pension Contribution	0-5,000	0
Ms Kim Norris, Staff Governor		
Remuneration	0-5,000	0
Employer's Pension Contribution	0-5,000	0
Dr Cathy Haycock, Staff Governor		
Remuneration	15-20,000	0
Employer's Pension Contribution	0-5,000	0
Ms Katherine Blockley, Staff Governor (resigned 31 August 2014)		
Remuneration	0	40-45,000
Employer's Pension Contribution	0	5-10,000
Mrs Christine Gregory, Staff Governor (resigned 5 May 2014)		
Remuneration	0	10-15,000
Employer's Pension Contribution	0	0-5,000

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. 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 business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the overall insurance costs of £39,270 (2014 - £39,190).

13. TANGIBLE FIXED ASSETS

	Long Term Leasehold Land & Buildings £	Furniture & Equipment £	Computer equipment £	Total £
Cost				
At 1 September 2014	10,096,356	243,252	139,734	10,479,342
Additions	81,168	4,606	51,304	137,078
At 31 August 2015	<u>10,177,524</u>	<u>247,858</u>	<u>191,038</u>	<u>10,616,420</u>
Depreciation				
At 1 September 2014	624,026	68,664	71,307	763,997
Charge for the year	250,223	28,412	40,525	319,160
At 31 August 2015	<u>874,249</u>	<u>97,076</u>	<u>111,832</u>	<u>1,083,157</u>
Net book value				
At 31 August 2015	<u>9,303,275</u>	<u>150,782</u>	<u>79,206</u>	<u>9,533,263</u>
At 31 August 2014	<u>9,472,330</u>	<u>174,588</u>	<u>68,427</u>	<u>9,715,345</u>

14. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	<u>11,188</u>	<u>26,798</u>

15. DEBTORS

	2015 £	2014 £
Trade debtors	3,006	1,645
VAT repayable	15,141	23,292
Prepayments and accrued income	98,323	72,211
	<u>116,470</u>	<u>97,148</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Other loans	10,845	96,615
Trade creditors	16,730	19,773
Other taxation and social security	76,625	84,159
Other creditors	72,489	-
Accruals and deferred income	97,080	124,287
	<u>273,769</u>	<u>324,834</u>

Deferred income

Deferred income at 1 September 2014	55,665
Resources deferred during the year	65,458
Amounts released from previous years	(55,665)
	<u>65,458</u>

Deferred income at 31 August 2015

At 31 August 2015, deferred income relates to grants and funding received in advance and trip contributions from parents.

Other loans are Salix loans transferred on conversion.

17. CREDITORS:
Amounts falling due after more than one year

	2015	2014
	£	£
Other loans	23,011	33,856

Other loans are Salix loans transferred on conversion.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	210,788	76,386	(80,917)	(1,848)	-	204,409
Restricted funds						
General annual grant (GAG)	218,666	5,282,000	(5,163,648)	(150,677)	-	186,341
Other DfE/EFA grants	134,801	9,151	(4,951)	-	-	139,001
Pupil premium	-	101,311	(101,311)	-	-	-
Educational visits	4,470	212,556	(216,141)	-	-	885
Transfer from LA	(130,471)	-	-	96,615	-	(33,856)
Miscellaneous	-	32,594	(32,594)	-	-	-
Local authority grants	-	44,905	(44,905)	-	-	-
Pension reserve	(698,000)	1,000	(27,000)	-	(49,000)	(773,000)
	<u>(470,534)</u>	<u>5,683,517</u>	<u>(5,590,550)</u>	<u>(54,062)</u>	<u>(49,000)</u>	<u>(480,629)</u>
Restricted fixed asset funds						
DfE Capital grant - unspent	33,336	-	-	(33,336)	-	-
Capital expenditure from GAG	40,073	-	-	55,910	-	95,983
Capital expenditure non GAG	-	-	-	114,504	-	114,504
Devolved formula capital	-	13,683	(13,683)	-	-	-
LA Unspent capital grant	-	374,495	-	(81,168)	-	293,327
Capital income transferred from LA	9,641,936	-	(319,160)	-	-	9,322,776
	<u>9,715,345</u>	<u>388,178</u>	<u>(332,843)</u>	<u>55,910</u>	<u>-</u>	<u>9,826,590</u>
Total restricted funds	<u>9,244,811</u>	<u>6,071,695</u>	<u>(5,923,393)</u>	<u>1,848</u>	<u>(49,000)</u>	<u>9,345,961</u>
Total of funds	<u><u>9,455,599</u></u>	<u><u>6,148,081</u></u>	<u><u>(6,004,310)</u></u>	<u><u>-</u></u>	<u><u>(49,000)</u></u>	<u><u>9,550,370</u></u>

CHENDERIT SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

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

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the period.

Restricted general funds will be used for educational purposes in line with the Academy Trust's objects and its funding agreement with the EFA.

Restricted fixed asset funds amounting to £9,533,263 will be reserved against future depreciation charges. The remainder of £293,327 relates to unspent capital grants which will be used to enhance the Academy's facilities.

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	9,533,263	9,533,263	9,715,345
Current assets	204,409	589,151	293,327	1,086,887	796,944
Creditors due within one year	-	(273,769)	-	(273,769)	(324,834)
Creditors due in more than one year	-	(23,011)	-	(23,011)	(33,856)
Pension deficit	-	(773,000)	-	(773,000)	(698,000)
	<u>204,409</u>	<u>(480,629)</u>	<u>9,826,590</u>	<u>9,550,370</u>	<u>9,455,599</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Net incoming (deficit)/resources	143,771	(8,919)
Returns on investments and servicing of finance	(3,331)	(5,000)
Depreciation of tangible fixed assets	319,160	314,958
Deficit on disposal of tangible fixed assets	-	1,666
Decrease/(increase) in stocks	15,610	(14,133)
(Increase)/decrease in debtors	(19,322)	19,475
Increase/(decrease) in creditors	34,705	(80,799)
FRS 17 adjustments	26,000	9,000
	<u>516,593</u>	<u>236,248</u>

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	3,331	5,000
	<u>3,331</u>	<u>5,000</u>
	2015	2014
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(137,078)	(85,113)
Sale of tangible fixed assets	-	1,250
Capital grants from DfE	-	-
Capital funding received	-	-
	<u>(137,078)</u>	<u>(83,863)</u>
Net cash outflow capital expenditure		
	2015	2014
	£	£
Financing		
Repayment of loans	(96,615)	(109,248)
	<u>(96,615)</u>	<u>(109,248)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	672,998	286,231	959,229
Debt:			
Debts due within one year	(96,615)	85,770	(10,845)
Debts falling due after more than one year	(33,856)	10,845	(23,011)
Net funds	542,527	382,846	925,373

23. CONTINGENCIES

Included in the restricted fixed assets funds are assets to the value of £70,750 in relation to a gift in kind in 2013 from the school's catering provider to upgrade the kitchen facilities. Under the terms of the catering contract, should the contract be terminated before 31 December 2019 the Academy Trust will repay the amount invested plus interest at the rate of 2.5% over the prevailing base rate at the time of early termination, less depreciation to date over the life of the contract. The net book value of the relevant assets at 31 August 2015 are £43,798 (2014: £53,904).

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

25. PENSION COMMITMENTS

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

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

Contributions amounting to £57,736 were payable to the scheme at 31 August 2015 (2014 - £nil) and are included within creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. PENSION COMMITMENTS (continued)

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

The pension costs paid to TPS in the period amounted to £409,220 (2014: £407,974).

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

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

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25. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £185,000, of which employer's contributions totalled £146,000 and employees' contributions totalled £39,000. The agreed contribution rates for future years are 23.6% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.70	1,125,000	6.40	1,009,000
Bonds	3.70	306,000	2.90	270,000
Property	3.70	145,000	4.50	100,000
Cash	3.70	32,000	3.30	43,000
Total market value of assets		<u>1,608,000</u>		<u>1,422,000</u>
Present value of scheme liabilities		<u>(2,381,000)</u>		<u>(2,120,000)</u>
Deficit in the scheme		<u><u>(773,000)</u></u>		<u><u>(698,000)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,381,000)	(2,120,000)
Fair value of scheme assets	<u>1,608,000</u>	<u>1,422,000</u>
Net liability	<u><u>(773,000)</u></u>	<u><u>(698,000)</u></u>

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25. PENSION COMMITMENTS (continued)

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

	2015	2014
	£	£
Interest on obligation	(81,000)	(80,000)
Expected return on scheme assets	82,000	76,000
Current service cost	(173,000)	(146,000)
	<hr/>	<hr/>
Total	(172,000)	(150,000)
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	49,000	155,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Opening defined benefit obligation	2,120,000	1,672,000
Interest cost	81,000	80,000
Contributions by scheme participants	39,000	36,000
Actuarial Losses	16,000	238,000
Benefits paid	(48,000)	(52,000)
Current service cost	173,000	146,000
	<hr/>	<hr/>
Closing defined benefit obligation	2,381,000	2,120,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Opening fair value of scheme assets	1,422,000	1,220,000
Expected return on assets	82,000	76,000
Actuarial gains and (losses)	(33,000)	1,000
Contributions by employer	146,000	141,000
Contributions by employees	39,000	36,000
Benefits paid	(48,000)	(52,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	1,608,000	1,422,000
	<hr/> <hr/>	<hr/> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £193,000 losses (2014 - £146,000 losses).

The Academy Trust expects to contribute £145,000 to its Defined Benefit Pension Scheme in 2016.

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25. PENSION COMMITMENTS (continued)

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

	2015	2014
Equities	70.00 %	71.00 %
Bonds	19.00 %	19.00 %
Property	9.00 %	7.00 %
Cash	2.00 %	3.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.50 %
Rate of increase in salaries	4.50 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.3	22.3
Females	24.3	24.3
Retiring in 20 years		
Males	24.0	24.0
Females	26.6	26.6

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015	2014	2013 as	2012 as	2011
	£	£	restated	restated	£
			£	£	
Defined benefit obligation	(2,381,000)	(2,120,000)	(1,672,000)	(1,406,000)	-
Scheme assets	1,608,000	1,422,000	1,220,000	943,000	-
Deficit	(773,000)	(698,000)	(452,000)	(463,000)	-
Experience adjustments on scheme liabilities	4,000	(238,000)	(34,000)	55,000	-
Experience adjustments on scheme assets	(33,000)	1,000	84,000	(12,000)	-

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NOTES TO THE FINANCIAL STATEMENTS
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26. OPERATING LEASE COMMITMENTS

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

	2015	2014
	£	£
Expiry date:		
Within 1 year	-	875
Between 2 and 5 years	18,924	11,472
	<u><u>18,924</u></u>	<u><u>11,472</u></u>

27. 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 a trustee 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.

There were no such related party transactions in the year.