

Report of the Trustees and
Financial Statements For The Year Ended 31 August 2016
for
The Elizabethan Academy Trust

Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

The Elizabethan Academy Trust

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For The Year Ended 31 August 2016

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The Elizabethan Academy Trust

Reference and Administrative Details
For The Year Ended 31 August 2016

MEMBERS	R Green C Horrocks L Jones D Cheetham P Lewis
TRUSTEES	D Cheetham (Chairman) M Gillatt L Jones (Vice Chairman) P Lewis H Wilson (resigned 15.6.2016) I Balmer (Staff Trustee) H Braithwaite (Staff Trustee) K Ward (Staff Trustee) A Simpson B Gladstone R Green C Horrocks (Principal / Accounting Officer) S Walker (appointed 29.6.2016) A N Leake (appointed 29.6.2016) S Proctor-Green (appointed 9.12.2015) M Evans (appointed 9.12.2015) J Major (appointed 9.12.2015)
COMPANY SECRETARY	M Duffy (appointed 1.9.2.2016) L Myers (resigned 31.8.2016)
SENIOR MANAGEMENT TEAM	S Withall (Assistant Principal) K Ward (Assistant Principal) M Duffy (Chief Financial Operations Officer) C Horrocks (Principal) I McGowan (Assistant Principal) (resigned 31.12.2015) A Clark (Assistant Principal) J White (Vice Principal) L Dainty (Assistant Principal) L Saxelby (Assistant Principal)
REGISTERED OFFICE	The Elizabethan High School Hallcroft Road Retford DN22 7PY
REGISTERED COMPANY NUMBER	07964360 (England and Wales)
INDEPENDENT AUDITORS	Allotts Business Services Ltd, Statutory Auditor Chartered Accountants The Old Grammar School 13 Moorgate Road Rotherham South Yorkshire S60 2EN

The Elizabethan Academy Trust
Reference and Administrative Details
For The Year Ended 31 August 2016

SOLICITORS

Browne Jacobson LLP
44 Castle Gate
Nottingham
NG1 7BJ

BANKERS

Lloyds Bank plc
High Street Lincoln Branch
PO Box 1000
BX1 1LT

The Elizabethan Academy Trust

Report of the Trustees For The Year Ended 31 August 2016

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

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in North Nottinghamshire. The academy operates on two sites with a separate Post 16 centre. The 11-16 site has a student capacity of 1,200 and had a roll of 865 in the school census in May 2016 with a further 128 students attending the Post 16 centre.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust's objects are specifically restricted to the following:

- 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 Retford and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstance 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 inhabitants.

The principal activity of the company is the operation of The Elizabethan Academy to provide education for pupils of different abilities between the ages of 11 and 18.

Objectives, Strategies and Activities

Our mission is to discover and develop the talents of all the young people and adults who work together to make the academy a vibrant learning environment, in which everyone can realise their ambitions.

To Discover Talent

- To identify and nurture the unique talents in everyone
- To develop self-belief, self-confidence and self-respect
- To inspire people to be ambitious

To Develop Successful Learners

- To identify and build the skills to learn independently
- To develop an understanding of difference and respect for diversity
- To inspire people to be curious, creative, resilient and responsible

To Deliver Excellence

- To raise the aspirations of everyone who works in our academy
- To challenge everyone to perform at their best
- To provide memorable learning experiences and deliver results

Public Benefit

In setting and reviewing aims and objectives and in planning future activities, the trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

All of the activities undertaken by the Academy Trust are for the education of its students and the benefit of the local community. The academy has forged strong links with the local community and the site is frequently used by community groups for a wide variety of activities. Throughout the academic year the academy offers frequent open days and evenings where not only parents, but also the local community, are encouraged to engage with the academy and participate in the events and exhibitions on display.

STRATEGIC REPORT

Achievement and performance

The Effectiveness of Leadership and Management

Leaders and governors are fully committed to achieving the best for all students and they communicate high expectations to teachers, support staff, students and parents. Leaders set challenging targets and are ambitious for the academy and its students. The Academy has introduced a more robust Quality Assurance schedule, with "focus visits" to lessons replacing traditional observations in order to identify typicality of teaching. Subject Reviews and Year Group Reviews challenge judgements made about teaching and learning and students' progress.

Performance Management procedures are robust and are used to hold staff at all levels to account. Standardised performance management objectives have been introduced through the Bluesky performance management online programme. Review meetings are quality assured by senior leaders and Governors are also well informed and challenge leaders at committee meetings and link Governor visits.

The Elizabethan Academy Trust
Report of the Trustees
For The Year Ended 31 August 2016

STRATEGIC REPORT
Achievement and performance

The Academy provides a broad and balanced curriculum in Years 7 & 8, and offers students opportunities to specialise in Years 9 - 11. Leaders have reviewed the ambitious curriculum introduced in September 2011, whereby students sat GCSEs in Years 9 and 10, and replaced it with a more traditional model designed to maximise student outcomes.

Safeguarding is effective. Training is updated annually for all staff, and includes all aspects of keeping children safe, including the prevent agenda. Assemblies and ABC lessons are used in particular to promote safety.

There is ample opportunity for students to learn about British Values. All students are introduced to democracy through the election of tutor reps and Team Ambassadors. Discriminatory language is not tolerated and any incidences are logged separately.

The Academy commissioned its own Pupil Premium Review in March 2015. This identified good practise in many areas, but also highlighted the need for greater consistency across the Academy. There is now a Pupil Premium Governor. Pupil Premium students were a focus of many quality assurance activities in the academic year 2015-2016.

Leaders recognise that student outcomes are not yet good enough and rigorous action plans have been written and reviewed at all levels of leadership to address this. There were improvements in many measures in 2015-2016.

There have been significant changes to the structure and grading of GCSE English and Maths exams, which students will sit for the first time in June 2017. In addition, significant changes to the structure of many A Levels has resulted in AS Levels becoming obsolete and a return to linear teaching. The new style SATs exams in Year 6 mean that Year 7 teachers are working with the new Key Stage 2 outcomes in Key Stage 3.

Quality of Teaching, Learning and Assessment

Lesson Focus Visits indicate that teaching is good. Teachers plan lessons, develop and deepen students' subject knowledge and increasingly target individual areas of weakness.

Staff training has focused on the development of non-negotiables to ensure consistency across the Academy. Teachers' Lesson Files are used across all subject areas to inform planning and monitoring of groups and individual students.

Time is given regularly in lessons to improvement of work; 'upgrade time' is used for students to respond to staff feedback and improve their work as a result, and the 'purple pen of progress' is a common feature of students' work. Focus is also placed from Year 7 on developing exam and revision techniques.

Relationships between students and teachers are good because teachers plan lessons carefully and use appropriate questioning techniques, including targeted questions, to challenge and support students including the most able, disadvantaged and under-achieving students.

Leaders monitor homework, and its frequency and suitability have improved as a result. All homework is logged electronically, and is visible to students and parents.

Tracking reports give parents clear information about student progress. Traditional Parents' Evenings are supported by additional evenings, such as the Meet the Tutor Evening in Year 7 and an interview evening for students and parents at the start of Year 11.

Personal Development, Behaviour and Welfare

The Academy's student leadership programmes support students to become confident individuals who demonstrate the skills and qualities required to compete with their peers. They have many opportunities to make a positive contribution at both curricular and pastoral levels. Many support at Open Evenings, in local community events, primary sports and similar events, and visitors regularly remark that students show a pride in their Academy.

In lessons, the vast majority of students are cooperative and keen to do well. Punctuality to school and lessons is excellent. The vast majority are well equipped for lessons, and standards of uniform are generally high.

Around the school, students are polite, well-mannered and friendly and the cross year tutoring has built an atmosphere of mutual respect and support with a generosity of spirit across all age groups. Students are inclusive and tolerant of each other.

Students behave responsibly in social time.

Attendance has dipped below the national average as a very small number of students causing concern have a big impact on the overall figure, despite the levels of support and intervention in place.

Students say they feel safe at school and their parents agree, as evidenced through regular surveys. Students have a good understanding of the different types of bullying and are aware of how and where to report it. Students commented in the last inspection that sometimes they overhear the odd racist/derogatory comment but inspectors found that these instances are taken seriously by school leaders and meticulously logged.

The Elizabethan Academy Trust

Report of the Trustees For The Year Ended 31 August 2016

STRATEGIC REPORT

Achievement and performance

Students receive good quality careers advice to assist them in preparing for the next steps, with priority interviews for disadvantaged students in particular. The Academy has CareerMark status.

Outcomes for Pupils

Initial analysis of 2016 results indicates an improvement in all areas at GCSE. The overall 5 A*-C EM figure rose from 2015 levels (although this is no longer a headline measure), and initial Progress 8 scores show an improvement on the indicative figures from the previous year. Gaps for disadvantaged students are narrowing, but this is still too slow.

The Catch-Up Premium is being used to good effect in Year 7, with students of Low Prior Attainment making accelerated progress in both English and Maths. This, combined with Pupil Premium funding, is having a considerable impact lower down the school, with students in Years 7 - 9 making strong progress. We expect this to translate into improved results at GCSE when these students reach Year 11 from 2018 onwards.

Results for off-site learners (students whose provision off site rather than at the Elizabethan as an alternative to exclusion) have improved, but do not match those of their on-site contemporaries. This has affected the overall performance of students with SEND, as off-site provision is one of the criteria for the SEND register.

Outcomes in Year 13 are generally good, with value added for all subjects in line with or in excess of national averages. There are concerns about performance at AS-Level, however, with too much variation between subjects. Too many students fail AS and embark on new qualifications in Year 13. Changes to the structure of the curriculum will stop this in future.

The introduction of the "Mastery Pathway" in Years 7 and 8 has allowed teachers to focus specifically on addressing gaps in learning, and is expected to benefit disadvantaged learners in particular.

Attainment 8 score by Progress 8 "bucket" during the year was:

	2015	2016	
English	9.12	9.85	↑
Maths	9.30	9.34	↑
EBacc	12.01	13.01	↑
Open	13.17	14.74	↑
	2015	2016	
Progress 8 score	-0.33	-0.25	↑

Key Performance Indicators

Key Performance Indicators

Key performance indicators include examination / key stage results, Ofsted inspection outcomes, pupil attendance measures, pupil behaviour measures and progress data as outlined above.

Key Financial Performance Indicators

The trustees consider the following to be the key financial performance indicators:

Income:	Total GAG income per pupil	£5,153
Staffing:	Total staff cost per pupil	£4,492
	Staffing costs to GAG income	0.87
Expenditure:	Total GAG expenditure per pupil	£5,328

Based on pupil numbers of 993 including post 16.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies. The governing body closely monitors the funding situation and adopts planning measures in anticipation of possible reductions in funding.

Financial review

Most of the academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Elizabethan Academy Trust
Report of the Trustees
For The Year Ended 31 August 2016

STRATEGIC REPORT
Financial review

The academy also receives grants for fixed assets from the EFA. In accordance with the Charities SORP, grants and donations received for specific capital purposes are shown in the Statement of Financial Activities as restricted fixed asset funds. The balance sheet restricted asset fund is reduced by depreciation charges over the expected useful life of the assets concerned.

Expenditure for the period was greater than grants from the EFA and other income, such as voluntary income and activities for generating funds. During the year ended 31 August 2016 total expenditure (excluding depreciation and loss on disposal of fixed assets) of £6,292,000 was greater than recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the twelve months (excluding restricted fixed asset funds, the actuarial pension deficit and after GAG transfers) was £492,000, or £357,000 if also excluding the FRS102 pension adjustment.

At 31 August 2016 the net book value of fixed assets was £16,204,000 and movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets are used primarily for providing the academy's educational operations and associated support service to the students of the academy.

The Elizabethan High School was built under a PFI contract between Nottinghamshire County Council and Transform Schools which terminates in July 2032.

The academy has entered into a School and Principal Agreement which recognises the PFI contract and ensures that the Academy Trust cannot place the County Council in breach of any of its obligations under the original PFI contract. The School agreement also sets out the financial responsibilities that the academy has entered into between itself and the County Council.

Reserves Policy

The Academy Trust, after analysis of the fall in student numbers and recent changes to formula funding has planned for sufficient reserves to cover these eventualities. The reserves are split in to the categories of restricted general funds and unrestricted funds. The unrestricted funds are the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its planned expenditure.

On conversion in April 2012 the Academy Trust received £264,000 of inherited funds in cash from the Local Authority. The academy's reserves at 31 August 2016 are £14,466,000, including £918,000 in cash and other net assets.

The Finance Committee, in conjunction with the Full Trustees Committee, aims to carry forward sufficient funds to meet the Academy Trust's long term objectives and to provide working capital, whilst ensuring that it does not affect its current operational activities. The trustees have recognised that the appropriate level of free reserves should be equivalent to one month's expenditure, approximately £550,000.

The free reserves (unrestricted general funds) as at 31 August 2016 amounted to £214,000 with a further £611,000 carried forward as GAG. The trustees recognise that the current level of free reserves falls some way below the desired level but when taken together with GAG, the overall level of reserves available for the academy's educational purposes is £825,000.

The academy expects to have to utilise carried forward reserves in future periods when the expected fall in student numbers as a result of local demographics takes effect. It also budgeted for the significant increase in employer national insurance contributions from April 2016. The academy intends to continue to build up reserves to the level needed.

Investment Policy

The trustees discuss and agree to any investments made by the academy. Investments are currently limited to a current account held with Lloyds Bank plc. Any future investments will be made with regard to Charity Commission guidance in relation to investments.

Principal Risks and Uncertainties

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to teaching, provision of facilities, financial and other operational areas of the academy, and its finances. The academy has in place a detailed risk register which is used to identify and mitigate risks as far as possible.

The management of risks to the academy is undertaken in accordance with the Funding Agreement, the Academies Financial Handbook and the Academy Finance Policy.

The governing body is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. It is advised in this role by the Finance & Resources Committee and both are advised and informed by the Senior Leadership Team.

The governing body fulfils its role by establishing the system of internal control, approving and reviewing a series of policies that underpin the internal control process and agreeing objectives, plans and resources by means of the budget and annual School Development Plan.

The Elizabethan Academy Trust

Report of the Trustees For The Year Ended 31 August 2016

STRATEGIC REPORT

Financial review

The risk management policy remains under regular review by the Audit Risk & Pay Committee and will be presented annually.

The Academy Trust has appointed an internal auditor who has reviewed and reported on the Academy Trust's controls, systems and financial activities this period.

The trustees have taken into consideration the projected fall in student numbers and have planned accordingly. The academy retains strong links with the Local Authority for updates on the changes to formula funding.

Significant risks and the measures in place to reduce them are identified in the academy's Risk Register which is subject to annual review. Further financial risk is covered by the academy's insurance policy.

Financial and Risk Management Objectives and Policies

The academy's dealings with financial instruments are limited to bank accounts, creditors and debtors. This limitation serves to minimise credit and liquidity risks when this is combined with the nature of the academy's debtors (being principally government bodies and other schools) and therefore the risk to cash flow is also minimal.

Reference is also made to the Local Government defined benefit pension scheme which shows a deficit of £2,656,000.

Plans for Future Periods

The academy looks forward to a programme of further investment and progression in the following areas:

- Improve the achievement and progress for all students
- Reduce Gaps for pupil premium and SEND students
- Ensure excellent attitudes to learning and behaviour
- Improve attendance and reduce persistent absence
- Provide a balanced and wide ranging curriculum across all key stages
- Ensure consistently high teaching
- Ensure consistently high performing, ambitious leadership and governance at all levels
- Provide pastoral care which enhances student leadership, personal development and community spirit
- Ensure excellent safeguarding procedures

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Elizabethan Academy Trust (the "Academy Trust") is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The trustees of The Elizabethan Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Elizabethan Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

In respect of the trustees and its function the Academy Trust has arranged insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring in connection with academy business. The limit of indemnity, for any one claim or the aggregate in any one period of insurance is £2,000,000. There were no third party indemnity provisions during the year ended 31 August 2016.

The Elizabethan Academy Trust
Report of the Trustees
For The Year Ended 31 August 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of Recruitment and Appointment or Election of Trustees

In accordance with the articles of association the trustees are appointed as follows:

- a) The members may appoint a trustee provided that the total number of staff trustees does not exceed one third of the total number of trustees.
- b) A minimum of 2 parent trustees should be appointed, elected by parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when they are elected. Where the number of parents standing for election is less than the number of vacancies, parent trustees shall be made up by parent trustees appointed by the governing body. In appointing a parent trustee, the governing body shall appoint a person who is the parent of a registered pupil at the academy, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.
- c) The members may appoint staff trustees through any process they determine, including by a suitable election process. The total number of trustees who are employees of the Academy Trust shall not exceed one third of the total number of trustees.
- d) Community trustees may be appointed by the governing body provided that the person appointed is a person who lives or works in the community served by the academy or is committed to the government and success of the academy.
- e) The Principal is an ex officio trustee.
- f) The trustees may appoint up to 2 co-opted trustees.
- g) Additional trustees may, if deemed necessary, be appointed by the Secretary of State for Education.

The academy actively advertises and organises elections for trustee vacancies. New trustees are recruited from a variety of backgrounds and have the necessary skills to support, enhance and develop the Academy Trust. Trustees are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy Trust is responsible for the induction and training of trustees who go through an induction period with appropriate training and information provided.

On appointment, all trustees are provided with handbooks and induction files. All new trustees are given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. Training is given throughout the academic year and the academy buys back into Local Authority provision where necessary. Regular joint trustee / senior leadership team training sessions also take place throughout the year. Trustees are invited to attend all sub-committee meetings to select the most appropriate to their expertise.

Organisational Structure

The organisational structure consists of two main levels: The Trustees and The Senior Leadership Team under which Curriculum Leaders and other budget holders operate. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team consists of the Principal, Vice Principal, five Assistant Principals and the Chief Financial Operations Officer. The Senior Leadership Team controls the academy at an executive level, implementing the policies laid down by the trustees and reporting back to them. Each member of the Senior Leadership Team has both strategic and operational responsibilities and links with Curriculum Leaders, Pastoral, Administrative, Site and Training leaders. Each member of the Senior Leadership Team acts as a conduit and links with one or more trustee committees.

The Governing Body works with the Principal and the Senior Leadership Team to ensure that students receive a first class education. The Governing Body elects its own Chairman and Vice-Chairman, who cannot be the Principal, or a member of the teaching staff.

Trustees are drawn from all walks of life and represent the community served by the academy.

Academy trustees are answerable to parents and the community. Together with the Principal, who is responsible for day to day management, they set the academy's aims, policies and values as well as carrying out a number of other important duties such as:

- Acting as a "critical friend" to the academy
- Promoting high standards of education and achievement
- Planning the academy's long term future
- Deciding how the academy's budget is spent
- Appointing and dismissing staff
- Hearing appeals and grievances
- Forming policy on the academy's curriculum and collective worship
- Setting policy on pupil behaviour and discipline
- Monitoring the academy's progress
- Setting annual targets for performance and for the Principal (and ensuring that the Principal sets targets for other staff).

The Elizabethan Academy Trust

Report of the Trustees For The Year Ended 31 August 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

The day to day management is delegated to the Principal. All strategic decisions delegated to the Senior Leadership Team are ratified by the trustees.

As a group the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets though some spending control is devolved to members of the Heads of Department and other budget holders, with limits above which a Senior Leader must countersign. The Senior Leadership Team in partnership with Curriculum Leaders is also responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

Sub Committees

By law, governing bodies must meet at least three times every year, as a Full Governing Body, but the ongoing business is discussed by smaller committees. All areas of the academy's work are discussed, reported on and decisions are taken by a majority vote.

A typical trustees' meeting agenda might include the following:

- Principal's report and issues raised
- Update on personnel matters e.g. appointments made
- Reports from the sub-committees on pastoral, curriculum, personnel and finance matters
- Budget monitoring
- A review of recent and forthcoming academy events and initiatives
- Trustee training
- Any current or key issues e.g. academy status, OFSTED requirements.

At The Elizabethan Academy we have 5 sub-committees which meet at least once a term, and sometimes more frequently, if circumstances demand it. The sub-committee responsibilities are:

1. Student Support Committee

To discuss and make decisions on student matters including:

- Ensuring the health, safety and well-being of students
- Promoting community cohesion and inclusive practice relating to race, gender and disability equality
- Overcoming barriers to learning
- Parental and community liaison
- Setting priorities for improvement and monitoring and evaluating the impact of improvement plans which relate to the committee's area of operation
- Developing and reviewing policies identified within the Academy's policy review programme and in accordance with its delegated powers

2. Finance & Resources Committee

To discuss and make decisions on matters including:

- Budgets and the financial management of the academy
- The school improvement service
- PFI / premises matters
- Review school policies such as the Charging and Remissions, Finance and Fraud Policies.
- Agree the level of financial delegation to the Principal
- Ensure that the principles of 'best value' are adhered to
- Review, monitor and evaluate the annual maintenance programme
- Recommend an appropriate staffing structure to the Full Governing Body for approval
- Recruit, select and appoint staff
- Secure the effective implementation of Performance Management procedures
- Monitor and evaluate the effectiveness of partnerships in securing improved pupil outcomes

3. Standards Committee

To discuss and make decisions on matters including:

- Monitoring and evaluating rates of progress and standards of achievement by pupils, including any underachieving groups
- Ensuring that the curriculum is balanced, broadly based, meets the needs of all pupils and complies with statutory
- Setting priorities for improvement and monitoring and evaluating the impact of improvement plans which relate to the Committee's area of operation
- Developing and reviewing policies identified within the Academy's policy review programme and in accordance with its delegated powers

The Elizabethan Academy Trust
Report of the Trustees
For The Year Ended 31 August 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

4. Audit Risk and Pay Committee

To discuss, advise and make decisions on matters including

- To receive reports and correspondence from Internal and External Auditors and other bodies (e.g. EFA/NAO) and consider any issues raised, together with the associated management response and action plans
- To advise the Governing Body and Accounting Officer on the adequacy and effectiveness of the Academy's governance, risk management, internal control and value for money frameworks and systems through referral of such reports to the Governing Body and/or relevant Committee for information and action
- To review the Academy's fraud response plan and ensure that all allegations of fraud or irregularity are managed and investigated appropriately
- To advise the Governing Body on the appointment/re-appointment, dismissal and remuneration of the External and Regularity Auditor
- To advise the Governing Body on the requirement for and subsequently, the appointment/reappointment, dismissal and remuneration of an Internal Auditor or other assurance provider, thus enabling the Governing Body to sign the corporate governance statement in the annual accounts
- To review the External Auditor's annual planning document and approve the planned audit approach

5. Post 16 Centre Trustees' sub-committee is made up of representatives (usually the Chairman and Vice Chairman) from each of the partner schools, who meet three times a year to discuss finance, curriculum, staffing, results, premises, partnership working and the running of the Post 16 Centre.

There is also a Trustees Exclusion / Discipline Committee which meets as and when required, to discuss any permanent exclusion cases and has the power to reinstate an excluded pupil, or to reduce the term of the exclusion, and the Pay Committee which meets once a year to discuss the performance management and pay progression of staff.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Pay ranges for the Principal, the Vice Principal(s) and Assistant Principals will be determined in line with the School Teachers' Pay and Conditions Document (STPCD) for new appointments, where responsibilities significantly change or if this Academy chooses to review pay of leadership posts in line with the School Teachers' Pay and Conditions Document (STPCD). The pay range will take into account all permanent responsibilities of the role, any challenges that are specific to the role and all other relevant considerations including the skills and competencies required. Pay ranges will allow appropriate scope for performance related progression over time.

Related Parties and other Connected Charities and Organisations

The Retford Post 16 Centre is managed by three partners comprised of The Elizabethan Academy, Retford Oaks Academy and North Nottinghamshire College.

The Elizabethan Academy offers an excellent transition programme and strong links with the family of schools. A variety of events and activities take place throughout the year featuring subject specialist taster days, training events and concluding in July with transition week.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30th NOV 2016 and signed on the board's behalf by:

D Cheetham
D Cheetham - Chairman

The Elizabethan Academy Trust
Governance Statement
For The Year Ended 31 August 2016

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Elizabethan 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Elizabethan 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 Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 3 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
Dr D Cheetham (Chairman)	3	3
Mrs L Jones (Vice Chairman)	3	3
Mrs M Gillatt	2	3
Mr P Lewis	2	3
Mr I Balmer (staff trustee)	3	3
Mrs H Ashton-Braithwaite (staff trustee)	3	3
Mrs K Ward (staff trustee)	3	3
Mrs C Horrocks (Principal and Accounting Officer)	3	3
Cllr A Simpson	2	3
Mr B Gladstone	3	3
Mr R Green	3	3
Mr T Leake (appointed 29 June 2016)	1	1
Mrs H Wilson (resigned 15 June 2016)	2	2
Mr S Walker (appointed 29 June 2016)	1	1
Mr S Procter-Green (appointed 9 December 2015)	2	3
Mr M Evans (appointed 9 December 2015)	2	3
Ms J Major (appointed 9 December 2015)	3	3

Trustees Mr Leake, Mr Walker, Mr Procter-Green, Mr Evans and Ms Major were appointed during the year and Mrs Wilson resigned during the course of the year.

Governance Reviews

The skills audit which was carried out in June 2015 was updated in June 2016 following the recruitment of three new parent governors and two new community governors. These governors were recruited specifically to meet the shortfalls in skills identified in the 2015 skills audit. The exercise showed that the Governing Body skills mix would have met all the skills needs from the 2015 standards, but when compared with the needs included in the newer 2016 skills requirements, revealed some training needs in the areas of legal, planning, interaction with Trade Unions and mediation. These needs will be addressed during the current year.

The Governor Sub-committee structure has been reviewed and revised with the introduction of two new sub-committees - Audit, Risk and Pay and Principal's Performance Management. The Terms of Reference of all sub-committees have been updated.

Governance is reviewed as part of the Leadership and Management section of the Academy Self Evaluation Form (SEF). The SEF is constantly updated and is reviewed each term at a Full Governing Body Meeting.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to approve and monitor the Academy Budget and oversee and regulate controls and procedures. It has been prominent in monitoring and planning for the reduction in student numbers, the changes to formula funding and the increased employers' contributions.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Green	2	3
Dr D Cheetham	3	3
Mrs L Jones	3	3
Mr I Balmer	2	3
Mrs M Gillatt	2	3
Mr B Gladstone	3	3
Cllr A Simpson	2	3

The Elizabethan Academy Trust
Governance Statement
For The Year Ended 31 August 2016

The Audit Risk & Pay Committee is a sub-committee of the main Board of Trustees. Its purpose is to approve and monitor the internal control systems. This includes both internal and external audit reports with management response and actions to be taken. It is also responsible for risk management and pay recommendations.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Green	3	3
Dr D Cheetham	3	3
Mrs L Jones	3	3
Mr P Lewis	2	3

Review of Value for Money

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

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

Improving educational outcomes:

- Appointment of staff to target key curriculum areas and rationalisation of staffing numbers
- Well planned staffing structure to ensure staff are efficiently deployed and appropriately experienced and qualified
- Targeting of individual students resulting in the increased provision of one to one support and other intervention procedures
- Efficient use of tracking and monitoring systems ensuring appropriate support
- Targeting resources in key subject areas such as literacy and numeracy
- Increased number of students made expected progress in Maths
- Improved progress of lower ability students in English
- Average point score and A*/A rate both above target at A Level
- The Academy is actively engaged with 2 teaching alliances to development the quality of CPD and teaching and learning
- The Academy is part of School Direct to enable the school to have access to a high standard of professional trainees

Financial governance and oversight:

- Audit committee established to ensure scrutiny of financial controls and systems
- Regular budget monitoring by the trustees on The Finance and Resources Committee who in turn report back to the full trustees meeting.
- Trustees review financial systems and risks ensuring full compliancy with the Academies Financial Handbook
- Internal audit services employed to provide high level assurance
- Trustees are appropriately trained and experienced and are able to advise and challenge as recorded in the minutes

Review of Value for Money

- Appointment of a Chief Financial Operations Officer to oversee, direct and manage all financial and budgetary procedures and operations

Better purchasing:

- Spending proposals are costed and presented to the Senior Leadership Team and Trustees
- Benchmarking exercises are undertaken and reviewed with both the Leadership Team and Trustees
- Tender process for major expenditure
- All contracts are reviewed on an annual basis to ensure that they are still fit for purpose and best value for the academy.
- The family of schools work closely together to ensure procurement costs are driven down

Income generation:

- The Academy actively pursues external funding channels and submits bids as appropriate.
- Cash flow forecasts are used to identify and maximise income

Reviewing controls and managing risks:

- Risk register in place which is reviewed annually by the governing body

The Elizabethan Academy Trust
Governance Statement
For The Year Ended 31 August 2016

Review of Value for Money

- The governing body maintain a sound system of internal control and are advised in this role by the Finance and Resources Committee and the senior leadership team
- Budget holders receive regular budget reports and meet with the Academy Business Manager to monitor spending
- Appropriate insurance cover is purchased through the academy's broker and in consultation with the leadership team and trustees.

Appraisal

- The Academy Trust regularly reviews financial performance in line with the development plan.
- Detailed three year budget planning enables the trustees to look ahead and ensure that the budget is planned to maximise the use of funds

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 charitable company 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 Elizabethan Academy Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the charitable company 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 charitable company's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The 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 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 to appoint Raftery Audit and Business Process Consultants as internal auditor.

The internal 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:

- Governance Arrangements
- Budget Preparation and Delegation
- Financial Planning - Short / Medium / Long Term Plans
- Cash Flow Management
- Budgetary Control and Financial Management
- Financial Reporting
- Scheme of Delegation
- Purchasing Procedures - including ordering, invoicing and the use of Purchasing Cards
- Contract Tendering Procedures
- Declaration of Pecuniary Interests
- Employee Contracts of Employment
- Payroll Procedures including net pay, PAYE, pensions and NI
- Funding Arrangements/Grant Income
- Other Income
- Cash Security
- Credit Control
- Safeguarding and DBS Checks

The Elizabethan Academy Trust

Governance Statement
For The Year Ended 31 August 2016

The Risk and Control Framework

- Trial Balance
- Banking Arrangements
- Bank Reconciliation and other Month-end Process and Reporting
- Annual Pension and HMRC Reporting
- Insurance
- Fixed Asset Register and Inventories
- I T Arrangements and Security
- Health and Safety Arrangements
- Stewardship and Policies
- Risk Management Arrangements
- Regularity, Propriety and Value for Money
- School Fund Arrangements
- Imprest

On a termly basis, the auditor reports to the board of trustees, through the Audit, Risk and Pay Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

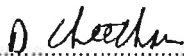
Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit, Risk and Pay 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 on30/11/16..... and signed on its behalf by:


.....
D Cheetham - Chairman


.....
Mrs C Horrocks - Accounting Officer

The Elizabethan Academy Trust

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2016

As accounting officer of The Elizabethan Academy Trust I have considered my responsibility to notify the charitable company 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 charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

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



.....
Mrs C Horrocks - Accounting Officer

Date: 30/11/2016

The Elizabethan Academy Trust

Statement of Trustees Responsibilities
For The Year Ended 31 August 2016

The trustees (who act as governors of The Elizabethan Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of trustees on 30 November 2016 and signed on it's behalf by:

D Cheetham
D Cheetham - Chairman

**Report of the Independent Auditors to the Members of
The Elizabethan Academy Trust**

We have audited the financial statements of The Elizabethan Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2015 to 2016 issued by the Education Funding Agency (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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's 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 Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company 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 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 financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees 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.



Mark Garrison BCom FCA DChA (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

Date: 09/12/2016

Independent Reporting Accountant's Assurance Report on Regularity to
The Elizabethan Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 12 August 2014 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Elizabethan Academy Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Elizabethan 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 Elizabethan 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 Elizabethan Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Elizabethan Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2012 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy
- Review of the delegated authorities set out in the Academies Financial Handbook

Conclusion

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

Allotts Business Services Ltd

Allotts Business Services Ltd
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

Date: 09/12/2016

The Elizabethan Academy Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2016

	Note	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total 2016 funds £'000	Total 2015 funds £'000
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	8	-	22	30	24
Charitable activities						
Funding for the academy's educational operations	4	7	5,678	-	5,685	6,224
Other trading activities	5	17	129	-	146	195
Investment income	6	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>2</u>
Total		33	5,807	22	5,862	6,445
EXPENDITURE ON						
Raising funds	8	18	33	-	51	85
Charitable activities						
Academy's educational operations		<u>8</u>	<u>6,233</u>	<u>386</u>	<u>6,627</u>	<u>7,073</u>
Total	7	26	6,266	386	6,678	7,158
NET INCOME/(EXPENDITURE)		7	(459)	(364)	(816)	(713)
Transfers between funds	20	1	(41)	40	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(929)</u>	<u>-</u>	<u>(929)</u>	<u>13</u>
Net movement in funds		8	(1,429)	(324)	(1,745)	(700)
RECONCILIATION OF FUNDS						
Total funds brought forward		206	(524)	16,529	16,211	16,911
TOTAL FUNDS CARRIED FORWARD		<u>214</u>	<u>(1,953)</u>	<u>16,205</u>	<u>14,466</u>	<u>16,211</u>

The notes form part of these financial statements

The Elizabethan Academy Trust (Registered number: 07964360)

Balance Sheet
At 31 August 2016

	Notes	2016 £'000	2015 £'000
FIXED ASSETS			
Tangible assets	14	16,204	16,528
CURRENT ASSETS			
Debtors	15	78	250
Cash at bank		<u>1,029</u>	<u>1,186</u>
		1,107	1,436
CREDITORS			
Amounts falling due within one year	16	(189)	(161)
NET CURRENT ASSETS		<u>918</u>	<u>1,275</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,122	17,803
PENSION LIABILITY	21	(2,656)	(1,592)
NET ASSETS		<u>14,466</u>	<u>16,211</u>
FUNDS	20		
Unrestricted funds:			
General fund		214	206
Restricted funds:			
Fixed Asset fund		16,205	16,528
General fund		703	1,069
Pension reserve		<u>(2,656)</u>	<u>(1,592)</u>
		<u>14,252</u>	<u>16,005</u>
TOTAL FUNDS		<u>14,466</u>	<u>16,211</u>

The financial statements were approved by the Board of Trustees on 30 NOVEMBER 2016 and were signed on its behalf by:

D Cheetham
D Cheetham -Chairman

The Elizabethan Academy Trust
Statement of Cash Flows
For The Year Ended 31 August 2016

	Notes	2016 £'000	2015 £'000
Cash flows from operating activities:			
Cash generated from operations	1	<u>(119)</u>	<u>(44)</u>
Net cash provided by (used in) operating activities		<u>(119)</u>	<u>(44)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(61)	(32)
Capital grants from DfE/EFA		22	24
Interest received		<u>1</u>	<u>2</u>
Net cash provided by (used in) investing activities		<u>(38)</u>	<u>(6)</u>
Change in cash and cash equivalents in the reporting period		(157)	(50)
Cash and cash equivalents at the beginning of the reporting period		<u>1,186</u>	<u>1,236</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,029</u></u>	<u><u>1,186</u></u>

The notes form part of these financial statements

The Elizabethan Academy Trust

Notes to the Statement of Cash Flows
For The Year Ended 31 August 2016

	2016	2015
	£'000	£'000
1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(816)	(713)
Adjustments for:		
Depreciation	386	506
Capital grants from DfE/EFA	(22)	(24)
Interest received	(1)	(2)
Decrease/(increase) in debtors	172	(17)
Increase in creditors	27	97
Difference between pension charge and cash contributions	<u>135</u>	<u>109</u>
Net cash provided by (used in) operating activities	<u>(119)</u>	<u>(44)</u>

The Elizabethan Academy Trust

Notes to the Financial Statements **For The Year Ended 31 August 2016**

1. STATEMENT OF ACCOUNTING POLICIES

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

First time adoption of FRS 102

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

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

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

2. ACCOUNTING POLICIES - continued

Donated goods, facilities and services

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

The freehold title of the land from which the academy operates is owned by Nottinghamshire County Council. The Elizabethan Academy Trust entered into a lease agreement with Nottinghamshire County Council for the land and buildings from which the academy operates. The lease is for a peppercorn rent for 125 years from 1 April 2012 except for an earlier termination of the funding agreement.

The building was built under the Private Finance Initiative ('PFI') and is subject to an agreement between Nottinghamshire County Council and Transform Schools Bassetlaw Limited, the PFI Contractor. The academy trust has entered into a supplementary schools agreement with Nottinghamshire County Council concerning the PFI agreement. Under the terms of the agreement the academy is committed to paying Nottinghamshire County Council a proportion of its budget in consideration for the Council paying the PFI contractor the unitary charge under the PFI agreement.

In addition, if the Elizabethan Academy Trust is operating as an academy at the time of the expiry of the PFI agreement between the Council and the PFI Contractor in July 2032, the Council shall transfer or procure the transfer of the building to the academy trust at no cost to the academy trust.

It is the opinion of the trustees that the terms of the lease agreement and the supplementary schools agreement transfer substantially all the risks and rewards of ownership of the asset to the academy trust and therefore the asset was recognised on the balance sheet as a fixed asset, with a corresponding entry to donations as a gift in kind in the period of conversion.

The buildings were valued at conversion at depreciated replacement cost and are being depreciated over the remainder of their expected life of 50 years.

Land was valued at market value and is being depreciated over the period of the 125 year lease.

Payments to Nottinghamshire County Council in consideration for the Council paying the unitary charge to the PFI Contractor are in respect of maintenance, utilities, cleaning and similar expenses.

As such, they have been analysed under appropriate expense headings in the statement of financial activities in the period to which they relate.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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.

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

Leasehold land	over 125 years, being the length of the lease
Buildings	over the remainder of the 50 year life
Fixtures, fittings and equipment	over 5 years
Computer equipment	over 3 years
Motor Vehicles	over 5 years

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

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.

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 part 11, chapter 3 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.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives 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 with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement 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.

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

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

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

Liabilities

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

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Grants	-	22	22	24
Other donations	<u>8</u>	<u>-</u>	<u>8</u>	<u>-</u>
	<u>8</u>	<u>22</u>	<u>30</u>	<u>24</u>

Grants received, included in the above, are as follows:

	2016 £'000	2015 £'000
Capital grants	<u>22</u>	<u>24</u>

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	5,117	5,117	5,521
Other DfE/EFA grants	<u>-</u>	<u>152</u>	<u>152</u>	<u>412</u>
	-	5,269	5,269	5,933
Other government grant				
Local authority grants	7	280	287	255
Other grants	<u>-</u>	<u>129</u>	<u>129</u>	<u>35</u>
	<u>7</u>	<u>409</u>	<u>416</u>	<u>290</u>
	<u>7</u>	<u>5,678</u>	<u>5,685</u>	<u>6,223</u>

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Trips	-	49	49	83
Sundry income	<u>17</u>	<u>80</u>	<u>97</u>	<u>111</u>
	<u>17</u>	<u>129</u>	<u>146</u>	<u>195</u>

6. INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Interest	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

7. EXPENDITURE

	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	2016 Total £'000	2015 Total £'000
Raising funds					
Costs incurred by trading for a fundraising purpose	15	-	36	51	85
Charitable activities					
Academies educational operations					
Direct costs	3,766	308	768	4,842	5,383
Allocated support costs	<u>678</u>	<u>760</u>	<u>347</u>	<u>1,785</u>	<u>1,690</u>
	<u>4,459</u>	<u>1,068</u>	<u>1,151</u>	<u>6,678</u>	<u>7,158</u>

Net income/(expenditure) is stated after charging/(crediting):

	2016 £'000	2015 £'000
Auditors' remuneration	5	5
Other non-audit services	6	7
Depreciation - owned assets	387	505
Operating leases - plant and machinery	<u>42</u>	<u>42</u>

8. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Staff costs	15	-	15	36
Other costs	<u>3</u>	<u>33</u>	<u>36</u>	<u>49</u>
	<u>18</u>	<u>33</u>	<u>51</u>	<u>85</u>

9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Direct costs	8	4,834	4,842	5,383
Support costs	<u>-</u>	<u>1,785</u>	<u>1,785</u>	<u>1,690</u>
	<u>8</u>	<u>6,619</u>	<u>6,627</u>	<u>7,073</u>

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2016	2015
	Total	Total
	£'000	£'000
Analysis of support costs		
Support staff costs	678	599
Technology costs	84	105
Premises costs	760	737
Other support costs	249	233
Governance costs	14	16
Total support costs	<u>1,785</u>	<u>1,690</u>

10. RELATED PARTY TRANSACTIONS - 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 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:

C Horrocks (Principal and trustee from 1 April 2015)

Remuneration £90,000 - £95,000 (2015: £35,000 - £40,000)

Employer's pension contributions £15,000 - £20,000 (2015: £5,000 - £10,000)

I Balmer (staff trustee)

Remuneration £25,000 - £30,000 (2015: £25,000 - £30,000)

Employer's pension contributions £0 - £5,000 (2015: £0 - £5,000)

H Braithwaite (staff trustee)

Remuneration £40,000 - £45,000 (2015: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

K Ward (staff trustee)

Remuneration £50,000 - £55,000 (2015: £45,000 - £50,000)

Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

Trustees' expenses

During the year ended 31 August 2016, travel and subsistence expenses totalling £958 were reimbursed or paid directly to 3 trustees (2015: £715 to 3 trustees).

Other transactions

Other related party transactions involving the trustees are set out in the Related Party Disclosures note.

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

11. STAFF COSTS

	2016	2015
	£'000	£'000
Wages and salaries	3,413	3,662
Social security costs	288	270
Other pension costs	<u>669</u>	<u>634</u>
	4,370	4,566
Supply teacher costs	47	93
Staff restructuring	<u>42</u>	<u>69</u>
	<u><u>4,459</u></u>	<u><u>4,728</u></u>
	2016	2015
	£'000	£'000
Staff restructuring costs comprise:		
Redundancy payments	32	69
Severance payments	-	-
Other restructuring costs	<u>10</u>	<u>-</u>
	<u><u>42</u></u>	<u><u>69</u></u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2015:£16,900).

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2016	2015
Teachers and educational support	73	84
Administration and support	37	39
Management	<u>7</u>	<u>6</u>
	<u><u>117</u></u>	<u><u>129</u></u>

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

	2016	2015
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£90,001 - £100,000	<u>1</u>	<u>-</u>
	<u><u>3</u></u>	<u><u>1</u></u>

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £587,660 (2015: £496,619).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost and is not separately identified.

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	-	24	24
Charitable activities				
Funding for the academy's educational operations	5	6,219	-	6,224
Other trading activities	46	149	-	195
Investment income	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>
Total	53	6,368	24	6,445
EXPENDITURE ON				
Raising funds	49	36	-	85
Charitable activities				
Academy's educational operations	<u>-</u>	<u>6,567</u>	<u>506</u>	<u>7,073</u>
Total	49	6,603	506	7,158
NET INCOME/(EXPENDITURE)				
	4	(235)	(482)	(713)
Transfers between funds	<u>2</u>	<u>(11)</u>	<u>9</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	<u>-</u>	<u>13</u>	<u>-</u>	<u>13</u>
Net movement in funds	6	(233)	(473)	(700)
RECONCILIATION OF FUNDS				
Total funds brought forward	200	(291)	17,002	16,911
TOTAL FUNDS CARRIED FORWARD	<u>206</u>	<u>(524)</u>	<u>16,529</u>	<u>16,211</u>

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

14. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST					
At 1 September 2015	17,482	151	15	725	18,373
Additions	<u>-</u>	<u>6</u>	<u>-</u>	<u>56</u>	<u>62</u>
At 31 August 2016	<u>17,482</u>	<u>157</u>	<u>15</u>	<u>780</u>	<u>18,434</u>
DEPRECIATION					
At 1 September 2015	1,052	90	10	693	1,845
Charge for year	<u>308</u>	<u>32</u>	<u>3</u>	<u>43</u>	<u>386</u>
At 31 August 2016	<u>1,360</u>	<u>122</u>	<u>13</u>	<u>736</u>	<u>2,231</u>
NET BOOK VALUE					
At 31 August 2016	<u>16,122</u>	<u>35</u>	<u>2</u>	<u>45</u>	<u>16,204</u>
At 31 August 2015	<u>16,430</u>	<u>61</u>	<u>5</u>	<u>32</u>	<u>16,528</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Trade debtors	7	6
Other debtors	-	170
VAT recoverable	12	12
Prepayments and accrued income	<u>59</u>	<u>62</u>
	<u>78</u>	<u>250</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Trade creditors	-	-
Taxation and social security	83	82
Accruals and deferred income	<u>106</u>	<u>79</u>
	<u>189</u>	<u>161</u>

	2016 £'000	2015 £'000
Deferred income		
Deferred Income at 1 September 2015	5	3
Resources deferred in the year	12	5
Amounts released from previous years	<u>(5)</u>	<u>(3)</u>
Deferred Income at 31 August 2016	<u>12</u>	<u>5</u>

At the balance sheet date the academy trust was holding funds in deferred income in respect of funds received in advance for trips booked for the autumn term of 2016.

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

17. OPERATING LEASE COMMITMENTS

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

	2016 £'000	2015 £'000
Amounts due within one year	22	42
Amounts due between one and five years	41	64
Amounts due after five years	<u>-</u>	<u>-</u>
	<u>63</u>	<u>106</u>

18. 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.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	2016 Total funds £'000	2015 Total funds £'000
Fixed assets	-	-	16,204	16,204	16,528
Current assets	214	892	1	1,107	1,436
Current liabilities	-	(189)	-	(189)	(161)
Pension liability	<u>-</u>	<u>(2,656)</u>	<u>-</u>	<u>(2,656)</u>	<u>(1,592)</u>
	<u>214</u>	<u>(1,953)</u>	<u>16,205</u>	<u>14,466</u>	<u>16,211</u>

20. MOVEMENT IN FUNDS

	Balance 01/09/15 £000	Incoming Resources £000	Resources Expended £000	Gains Losses & Transfers £000	Balance 31/08/16 £000
Restricted general funds					
General annual grant (GAG)	826	5,117	(5,291)	(41)	611
Pupil Premium	-	192	(178)	-	14
Other EFA	157	(40)	(95)	-	22
Local Authority grants	23	280	(303)	-	-
Other grants	-	129	(129)	-	-
Other revenue	62	129	(135)	-	56
Pension deficit	<u>(1,592)</u>	<u>-</u>	<u>(135)</u>	<u>(929)</u>	<u>(2,656)</u>
	<u>(524)</u>	<u>5,807</u>	<u>(6,266)</u>	<u>(970)</u>	<u>(1,953)</u>
Restricted fixed asset funds					
Assets transferred on conversion	16,503	-	(363)	-	16,140
DfE/YPLA grants	24	22	(23)	-	23
Capital expenditure from GAG	2	-	-	40	42
	<u>16,529</u>	<u>22</u>	<u>(386)</u>	<u>40</u>	<u>16,205</u>
Total restricted funds	<u>16,005</u>	<u>5,829</u>	<u>(6,652)</u>	<u>(930)</u>	<u>14,252</u>
Carried forward	<u>16,005</u>	<u>5,829</u>	<u>(6,652)</u>	<u>(930)</u>	<u>14,252</u>

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

20. MOVEMENT IN FUNDS - continued

	Balance 01/09/15 £000	Incoming Resources £000	Resources Expended £000	Gains Losses & Transfers £000	Balance 31/08/16 £000
Brought forward	<u>16,005</u>	<u>5,829</u>	<u>(6,652)</u>	<u>(930)</u>	<u>14,252</u>
Unrestricted funds					
General funds	206	33	(26)	1	214
Total unrestricted funds	<u>206</u>	<u>33</u>	<u>(26)</u>	<u>1</u>	<u>214</u>
Total funds	<u>16,211</u>	<u>5,862</u>	<u>(6,678)</u>	<u>(929)</u>	<u>14,466</u>

Other EFA grants carried forward include the following:

16-19 Bursary Fund: to support students who satisfy certain conditions in meeting expenditure requirements in relevant subject areas (monies can also be used for educational resources and to support student travel)

Devolved Formula Capital: to fund the purchase of capital assets for use in the academy.

Pupil Premium: to support those students requiring additional assistance from staff (monies can also be used for educational resources and to support student travel)

Other revenue carried forward includes the following:

Family Funding: joint family funding to support shared training and educational projects within the Elizabethan family of schools.

School Fund

Minibus: funding to support shared training and educational projects within the Elizabethan family of schools.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

21. PENSION 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 Nottinghamshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £nil were payable to the schemes at 31 August 2016 (2015: £17,723) 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 Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

21. PENSION AND SIMILAR OBLIGATIONS
- continued

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 earning growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £383,000 (2015: £361,000).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £195,000 (2015: £217,000), of which employer's contributions totalled £145,000 (2015: £163,000) and employees' contributions totalled £50,000 (2015: £54,000). The agreed contribution rates for future years are 18.3 per cent for employers and 5.5 - 12.0 per cent 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 amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Present value of funded obligations	(4,889)	(3,369)
Fair value of plan assets	<u>2,233</u>	<u>1,777</u>
	<u>(2,656)</u>	<u>(1,592)</u>
Deficit	<u>(2,656)</u>	<u>(1,592)</u>
Liability	<u>(2,656)</u>	<u>(1,592)</u>

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

21. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Current service cost	218	243
Net interest from net defined benefit asset/liability	<u>62</u>	<u>29</u>
	<u>280</u>	<u>272</u>
Actual return on plan assets	<u>270</u>	<u>30</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
At 1 September	(3,369)	(3,034)
Current service cost	(218)	(243)
Employee contributions	(50)	(54)
Interest cost	(136)	(124)
Actuarial gain / (loss)	(1,125)	78
Benefits paid	<u>9</u>	<u>8</u>
	<u>(4,889)</u>	<u>(3,369)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
At 1 September	1,777	1,538
Employer contributions	145	163
Employee contributions	50	54
Interest on assets	74	95
Actuarial gain / (loss)	196	(65)
Benefits paid	<u>(9)</u>	<u>(8)</u>
	<u>2,233</u>	<u>1,777</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Actuarial gains/(losses)	<u>(929)</u>	<u>13</u>
	<u>(929)</u>	<u>13</u>

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

21. PENSION AND SIMILAR OBLIGATIONS
- continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Equities	1,536	1,263
Property	270	223
Government Bonds	84	48
Corporate Bonds	152	123
Cash	95	62
Other	96	58
	<u>2,233</u>	<u>1,777</u>

The expected rate of return on assets is based on long term future expected investment return for each class at the beginning of the period (i.e. as at 1 September 2015) for the year to 31 August 2016. The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an allowance for defaults) respectively at the relevant date. The return on equities and property are then assumed to be a margin above gilt yields.

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

	2016	2015
Rate of increase in salaries	4.1%	4.5%
Discount rate for scheme liabilities	2.2%	4%
Inflation assumption (CPI)	2.3%	2.7%
Inflation assumption (RPI)	3.2%	3.6%
Commutation of pensions to lump sums	50%	50%

Sensitivity Analysis

The sensitivities regarding the principal assumptions to measure the scheme liabilities are set out below:

	£000	£000	£000
Adjustment to discount rate	+0.1%	0.00%	-0.1%
Present value of total obligation	4,779	4,889	5,002
Projected service cost	305	312	319
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	4,910	4,889	4,869
Projected service cost	312	312	312
Adjustment to pension increases & deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	4,981	4,889	4,799
Projected service cost	319	312	305
Adjustment to life expectancy assumptions	+1 year	None	-1 year
Present value of total obligation	5,016	4,889	4,765
Projected service cost	320	312	304

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

	At 31 August 2016	At 31 August 2015
Retiring today		
Males	22.1	22.1
Females	25.3	25.2
Retiring in 20 years		
Males	24.4	24.2
Females	27.7	27.6

The Elizabethan Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

21. PENSION AND SIMILAR OBLIGATIONS
- continued

Amounts for the current and previous period are as follows:

	2016 £'000	2015 £'000
Defined benefit pension plans		
At 1 September	(4,889)	(3,369)
At 1 September	2,233	1,777
Deficit	(2,656)	(1,592)
Experience adjustments on scheme assets	-	(65)

The estimated value of employer contributions for the year ended 31 August 2017 is £145,000.

22. RELATED PARTY DISCLOSURES

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

23. PRIVATE FINANCE INITIATIVE

The building from which the academy operates was built under the Private Finance Initiative ('PFI') and is subject to an agreement between Nottinghamshire County Council and Transform Schools Bassetlaw Limited, the PFI Contractor. The academy trust has entered into a supplementary schools agreement with Nottinghamshire County Council concerning the PFI Agreement. Under the terms of the agreement the academy is committed to paying Nottinghamshire County Council a proportion of its budget in consideration for the Council paying the PFI Contractor the unitary charge under the PFI agreement.

For the period ended 31 August 2016, payments to Nottinghamshire County Council under this agreement totalling £556,000 (2015: £573,000) have been included in the SOFA as part of utilities, catering, maintenance of premises costs etc as appropriate.

The agreement runs until July 2032 and the estimated annual cost is £600,000.

24. EXPLANATION OF TRANSITION TO FRS 102

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

The trustees have examined the changes to the accounting policies and have deemed that any adjustments to prior year figures in respect of outstanding employee benefits and LGPS interest costs are not material to the accounts and would have no impact on the understanding of the accounts. As a result the comparative figures have not been restated.