

Registration number: 07338835

Uffculme Academy Trust

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2016

Thompson Jenner LLP
Statutory Auditors
28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Uffculme Academy Trust

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Uffculme Academy Trust

Reference and Administrative Details

Members	J D Batchelor E Sims-Fielding S J Brewer
Trustees (Directors)	J E Adamson A L Aspden (appointed 1 September 2015) J D Batchelor S J Brewer, (Chairman) J E G Brookes (appointed 1 September 2015) N Gilbert (appointed 12 February 2016) M A Graesser (appointed 1 September 2015) L M Heath, (Executive Headteacher) J Larcombe E Sims-Fielding
Senior Management Team	L M Heath, Executive Headteacher J Dentith, Headteacher - Primary School A Blackburn, Deputy Headteacher N Able, Deputy Headteacher C Lepper, Assistant Headteacher J Roberts, Assistant Headteacher A L Aspden, Business Manager
Principal and Registered Office	Uffculme School Chapel Hill Uffculme Devon EX15 3AG
Company Registration Number	07338835
Auditors	Thompson Jenner LLP Statutory Auditors 28 Alexandra Terrace Exmouth Devon EX8 1BD
Bankers	Lloyds Bank plc Fore Street Tiverton Devon EX16 6LF

Uffculme Academy Trust

Reference and Administrative Details (continued)

Solicitors

Browne Jacobson
1 Manor Court
Dix's Field
Exeter
EX1 1UP

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust was originally established in August 2010 for the Governance of Uffculme Secondary School and was reformed as a Multi Academy Trust on 1st July 2013 to incorporate the Uffculme Primary School as a newly converted Academy. Together the two schools cater for 1190 pupils between the ages of 4 and 16.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 07338835.

The governors act as the trustees for the charitable activities of Uffculme Academy Trust and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

The Trust is also the sole shareholder of a trading company - Uffculme Sport and Fitness Limited (Incorporated in England. Reg. No. 07594043). The purpose of this company is to enable the school's sports facilities to be used by the wider community. Further details of the financial performance of this company are given in the Financial Statements.

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.

Trustees' indemnities

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. The Trust also holds unlimited Trustee Liability insurance through the DfE Risk Protection Arrangements.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Method of recruitment and appointment or election of Trustees

The number of Directors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Subject to Articles 48-49, the Company shall have the following Directors:

- a. up to 10 Directors appointed in accordance with Article 50;
- b. up to 3 LGB Chairs, appointed under Articles 51 and 52; and
- c. the Executive Principal;
- d. a minimum of 2 Parent Directors appointed under Articles 53-56 (if any);

The total number of Directors including the Executive Principal who are employees of the Company shall not exceed one third of the total number of Directors.

The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Future Directors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Director to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

Appointment of Directors

The Members shall appoint and may remove up to 10 Directors.

LGB Chairs

Subject to Article 52 and providing that he/she agrees so to act, the chair of each Local Governing Body shall be a Director for as long as he or she remains in office.

If the number of eligible LGB Chairs exceeds 3, the Directors shall appoint 3 persons from amongst the eligible LGB Chairs to be Directors. Any person appointed in accordance with this Article shall only remain as a Director for as long as he or she remains a chairman of a Local Governing Body. The Directors shall make all necessary arrangements for, and determine all matters relating to the appointment of the Directors in accordance with this Article.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Parent Directors

There shall be a minimum of two Parent Directors unless there are Local Governing Bodies which include at least two Parent Members.

Except for 16 - 19 Academies, Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies shall be elected or appointed (in accordance with the terms of reference determined by the Directors from time to time). The elected or appointed Parent Directors or Parent members of the Local Governing Bodies or Advisory Bodies must be a parent of a registered pupil at one or more of the Academies (but not one of the 16 - 19 Academies) at the time when he is elected or appointed.

The number of Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Directors and Parent members appointed by the Directors if the number of parents standing for election is less than the number of vacancies.

The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Directors or Parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies (but not one of the 16 - 19 Academies). Any election of the Parent Directors or Parent members of Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

In appointing a Parent Director or Parent member of a Local Governing Body or Advisory Body the Directors shall appoint a person who is the parent of a registered pupil at an Academy (but not one of the 16-19 Academies); or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

In the case of 16-19 Academies, Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies shall either be elected by parents of registered students at the 16 to 19 Academies, pursuant to Articles 56B to 56C, or be appointed by the Directors, pursuant to Article 56D. The elected or appointed Parent Directors or Parent members of the Local Governing Bodies or Advisory Bodies must be a parent of a student at one of the 16 to 19 Academies at the time when he is either elected or appointed.

The number of Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Directors and Parent members appointed by the Directors, if the number of parents standing for election is less than the number of vacancies.

The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Directors or Parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered student at one of the 16-19 Academies. Any election of the Parent Directors or Parent members of Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

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Trustees' Report for the Year Ended 31 August 2016 (continued)

In appointing a Parent Director or Parent member of a Local Governing Body or Advisory Body, the Directors shall appoint a person who is the parent of a registered student at one of the 16 to 19 Academies; or where it is not reasonably practical to do so, a person who is the parent of a child above compulsory school age but not above the age of 19.

The Community Directors may be appointed by the Directors provided that the person who is appointed as a Community Director is:

- (a) a person who lives or works in the community served by the Academy; or
- (b) a person who, in the opinion of the Directors, is committed to the government and success of the Academy.

The Directors may not appoint an employee of the Company as a Community Director if the number of Directors who are employed by the Company (including the Principal) would thereby exceed one third of the total number of Directors.

Executive Principal

Providing that the Executive Principal agrees so to act, the Members may by ordinary resolution appoint the Executive Principal as a Director.

Term of Office

The term of office for any Director shall be four years, save that this time limit shall not apply to the Executive Principal. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

Resignation and removal

A Director shall cease to hold office if he resigns his office by notice to the Company (but only if at least three Directors will remain in office when the notice of resignation is to take effect).

A Director shall cease to hold office if he is removed by the person or persons who appointed him. This Article does not apply in respect of a Parent Director or Academy Director.

Where a Director resigns his office or is removed from office, the Director or, where he is removed from office, those removing him, shall give written notice thereof to the Clerk.

Community Directors appointed in accordance with Article 58E may be removed by a resolution of the Directors.

Policies and procedures adopted for the induction and training of Trustees

The Academy procures Trustee Support from Babcock LLP. All new Trustees attend their bespoke Academy Trustees Induction Course. In addition, a mentoring scheme links each new Trustee with an experienced member. The mentor's role is to support the new Trustee in their first few months and to help them to identify where they feel they can add the most value to the Board of Trustees.

The Academy also subscribes to DAG (Devon Association of Trustees). Papers, newsletters and course details are circulated by the clerk or the Board of Governors representative on DAG – Mrs J. Larcombe.

Organisational structure

The Board of Trustees of Uffculme Academy Trust devolves the responsibility of the day to day running of the Academies to the Senior Leadership Team. Their activities and decisions are monitored through two main Trustee Committees and by the Local Governing Body covering both schools in to which reports are fed by the leadership team. The main purposes of these committees as detailed in their Terms of Reference is:

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Finance, premises and risk (Chair - J Batchelor)

- a. To exercise the powers and duties of the Board of Directors in respect of the financial administration of the Trust, except for those items specifically reserved for the Main Board and those delegated to the Executive Headteacher and other staff.
- b. To monitor and assess internal controls to ensure that the Trust as a whole is operating at appropriate levels of risk.
- c. To take responsibility for external and internal audit matters, oversee the work programme and performance quality of the internal and external audit services.
- d. To support the Main Board in ensuring that a framework is established and maintained for the identification and management of risk
- e. Ensuring that the Trust is meeting its statutory obligations concerning health and safety
- f. To provide support and guidance for the Academies Leadership Teams on all matters relating to the school premises, grounds, physical resources, security

Personnel (Chair - S Brewer)

- a. To develop a strategy for the employment of staff and all strategic issues relating to staff salary and benefit packages.
- b. To consider issues relating to the contracts of employment for the Executive Headteacher and other members of Senior Leadership including the review of salary and benefits and appraisal.
- c. To ensure that all policies relating to contracts of employment are reviewed regularly and comply with relevant legislation
- d. To consider proposals from the Executive Headteacher regarding the Performance Management and Remuneration of Staff on the Upper Pay Scale together with members of the Senior Leadership Team.
- e. To recruit an external advisor to carry out Performance Management on the Executive Headteacher and then advise on the Executive Headteacher's pay progression.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Local governing body (Chair - J Larcombe)

- a. To determine the vision for the Trust and ensure that its achievement underpins all strategic planning and decision making.
- b. To develop the values of the Trust and ensure that they underpin all decision making.
- c. To develop, agree, implement and monitor all the Trust's strategies and policies for the achievement of the vision.
- d. To develop, review and take ownership of the Trust's strategic plan, incorporating academy financial plans, and monitor its implementation.
- e. To ensure that the Trust keeps within legal obligations and complies with all necessary constitutional and regulatory requirements.
- f. To ensure that the Trust remains solvent through effective financial planning, performance monitoring and risk management.
- g. To ensure that all academies within the Trust attain high standards and demonstrate at least good progress against national indicators.
- h. To agree and oversee the implementation of a strategy for the development of the Trust.
- i. To maintain overall control and consistency of approach across the Trust and its academies through:
 - strong governance arrangements
 - clear and appropriate levels of delegated authority
 - unified frameworks for strategic planning, risk management, policy making and performance review

These committees meet termly to consider reports from the Senior Leadership Team. The Executive Headteacher is required to attend all the meetings.

The Academy Trust also has two Trustees with portfolios. They are Behaviour and Attendance and Safeguarding

In terms of finance, the Academy Trust has a simple clearly defined administrative structure. There is a channel of reporting to the Board of Trustees and its Finance Sub-Committee, with the aim of encouraging interaction between school operations/activities and the finance function, and to support decision-making on a sound and timely basis.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Extent of powers delegated to the Executive Headteacher

Unless specifically identified to the contrary, the Board of Trustees delegates to the Executive Headteacher the total day-to-day management of the Academy Trust, whilst remaining available for advice and assistance at all times.

The Board of Trustees delegates to the Executive Headteacher duties in particular, to:

- (a) manage the Academy Trusts financial position at a strategic and operational level.
- (b) advise it on the discharge of its responsibilities under the EFA Funding Agreement.
- (c) ensure the efficient, economical and effective management of its resources and expenditure, including funds, capital assets, equipment and staff.
- (d) ensure the introduction and maintenance of sound internal financial controls.
- (e) seek to ensure that financial considerations are taken fully into account in reaching decisions and in their execution; and the management of all other financial issues.
- (f) be responsible for signing, with the Chairman of the Board of Trustees, its annual accounts, ensuring they are properly presented and causing records to be maintained relating to the accounts.

Arrangements for setting pay and remuneration of key management personnel

The Uffculme Academy Trust Board recognises The School Teachers' Pay and Conditions Document as a framework for Executive Headteacher and Leadership pay. This document places a statutory duty on schools to have a Pay Policy, which sets out the basis on which to determine pay and to establish procedures for determining appeals. The Uffculme Academy Trust Board delegates responsibility to make determinations regarding pay and remuneration of all staff including the Senior Leadership Team but excluding the Executive Headteacher to the Pay Committee. This committee is a specially convened sub-committee of the Personnel Committee without Stakeholders present.

The Academy Trust board sets the pay ranges for Senior Leadership team and their progress through these ranges on the recommendation of the Pay Committee. The ISR has been agreed as follows:

Primary Deputy Headteacher	L5 to L9
Primary Headteacher, Secondary Deputy Heads and the Academy Business Manager	L15 to L21
Secondary Senior Deputy Headteacher	L22 to L26
Executive Headteacher	L34 to L42

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

The Executive Headteacher makes recommendations to the committee following the performance management process for the Senior Leadership team and decisions on pay are communicated in writing from the Executive Headteacher.

With regard to the Executive Headteacher, the board will engage the services of an external advisor to carry out their Performance Management and ask them to make recommendations on pay to the Headteachers Performance Review Panel. This group is made up of the Members and one Director. Decisions on pay are communicated in writing from the Chair of Directors.

The Executive Headteacher and Leadership team must evidence sustained high quality of performance, with particular regard to leadership, management and pupil progress and will be subject to a review of performance against their appraisal objectives before any discretionary points will be awarded. The clarification of the application of the criteria within the current STPCD for Leadership Group progression will be taken fully into account at the Pay Committee and HT Performance Review Panel meetings.

Annual pay progression within the ISR for this post is not automatic. Any progression will normally be by one point, but the Pay Committee and the HT Performance Review Panel may consider movement by two points in exceptional circumstances.

Uffculme Academy Trust review their Pay Policy each year (usually in September), or when other changes occur to the School Teachers' Pay and Conditions Document, to ensure that it reflects the latest legal position. The Pay Policy complies with the current School Teachers' Pay and Conditions Document and the accompanying statutory guidance. It will be used in conjunction with them, but, in the event of any inadvertent contradictions, the document and guidance take precedence. Rarely a decision will be taken to depart fully from the STPCD.

Connected organisations, including related party relationships

The Academy works closely with its 6 Partner Primary Schools but only has governance and management responsibility for Uffculme Secondary School and Uffculme Primary School. Uffculme Academy Trust provides support to help broaden the education of our future pupils, to prepare them for secondary education and to smooth the transition between schools.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Objectives and activities

Objects and aims

Our mission is to provide outstanding educational experiences to all the children who are educated within the Trust partnership schools.

This mission is underpinned by a series of core beliefs and values:

- Every child has the right to a high quality education where excellence is the norm
- Teachers have the right to teach free from disruption and distractions
- Parents have the right to know that their children will be well-cared for, looked after and supported to achieve their best

We aim to create a partnership of exceptional schools where:

- The school sits at the heart of its community
- High levels of collaboration and partnership working ensure that people at all levels can develop and improve
- Aspirations and expectations are set high for everyone
- Trust and mutual respect underpin all relationships across the partnership of schools
- Every child makes excellent progress and is enabled to achieve ambitious personal targets
- Enrichment is valued, planned for and resourced
- Pupil and parental engagement is high
- Diversity is welcomed and celebrated
- Teachers enjoy teaching and children enjoy learning

The Academy Trust's object is 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 schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them

b. to promote for the benefit of the inhabitants of Uffculme and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

Public benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Uffculme Academy Trust, through Uffculme Primary School and Uffculme Secondary School, provides the local community with an inclusive education for 4 – 16 year old boys and girls. The admissions criteria are purely based on location within the community and there is no element of selection on the basis of ability. The schools work closely together and with the other 5 Partner Primary Schools to ensure that pupils are well prepared to move through to secondary education. The school has elected to continue to use the services of the Devon Admissions Team to handle all admissions and appeals.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Achievements and performance

Last year's results once again demonstrate that Uffculme School has continued to deliver an excellent standard of education in a fully inclusive and comprehensive environment. Over 85% of pupils achieved 5 or more GCSEs at grades A*-C including English and Maths. The new basics measure saw 86 % of students achieve a good pass in English and Maths and the school's Progress 8 score was an impressive +0.92. This means that students at Uffculme across the board scored nearly a whole grade higher in all of their GCSEs than the national average. The pupil premium attainment gap remains below national averages but with small cohorts this can be significantly influenced by one or two students. However the progress of PP students is at least in line with that of other pupils with a P* score of +0.86 against a national average of 0. Other key performance indicators confirm that the school is well-placed to continue to deliver outstanding education: pupil attendance was once again over 97% over the year, only and exclusion rates were once again very low.

The performance of the primary school continues to improve. It is impossible to compare KS2 results with previous years as the benchmarks and examination structures have changed beyond all comparison. However students scored above national averages in all areas except writing – although the combined Reading, Writing and Maths score was well above the national average. Maths was a particular strength. This improvement has led to a rise in popularity and the school is now full in every year with waiting lists. For the first time ever applications for places in Reception were over PAN and a number of families had to go to appeal. Self evaluation of the Primary School rates it as good with outstanding feature in all areas. We would like to think that the school will be judged to be outstanding at its next inspection.

Enrichment activities continue to characterise the ethos of the school with a great many opportunities for young people to participate in all kinds of experiences. There have been visits to Germany, France, London, Cornwall and Austria. As always there were also many more local visits. These involved cultural exchanges, sporting activities, theatre visits, outdoor adventures and challenges e.g. walking, camping & cycling. Every pupil in the school participated in at least one enrichment activity with the vast majority undertaking many more. Our big show which takes place every two years was The Lion King. This superb production has since been nominated for an award for the Best amateur Production in mid and east Devon.

Uffculme School was successful in its bid to become a teaching school in March 2016. At the same time Executive Headteacher, Lorraine Heath was confirmed as a National Leader of Education (NLE). We are now building a successful coalition of diverse partners who will work with us on delivering the teaching school action plan.

Leaders in the school have worked hard to provide school to school support for other institutions. This has included:

Support in leadership and management, maths, governance and ICT - The Taunton Academy

Support with Pupil Premium Strategies and ICT - the West Somerset community college

Support with Safeguarding, key subject areas and leadership and management - West Exe School Exeter

Membership of IEB of City Academy Bristol- Lorraine Heath

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report (continued)

Lorraine Heath also continues as a member of the regional South West Headteachers' Board and sits on the DASH executive representing them at the Schools Finance Group.

The school is continuing its focus on enhancing the learning provision through careful investment in capital projects on both sites. The refurbishment of classrooms is now complete. Having been successful in the 2016 EFA Capital Improvement Fund bid, we are very much looking forward to building our new dining, assembly and theatre space.

Having taken Uffculme Primary School into the Academy Trust, Lorraine Heath continues to fulfil the role of Executive Headteacher of both schools. The Head of School on the primary site has had a significant impact and is now in her second year of leading improvements. The partnership is increasingly strong and both schools are thriving within their communities.

Key non-financial performance indicators

Outcomes for students at Uffculme continue to be outstanding. Performance data for 2016 once more evidences attainment beyond expectations with a consolidation of last year's exceptional performance with 85% of pupils achieving 5 or more A*-C grades including English and Maths. This is now the 5th year in a row where results were above 80% in a very challenging context nationally. More able students achieved very highly with nearly 50% of grades at A or A*. The performance of students on the SEN register was also outstanding.

KS2 results sustained last year's considerable improvement. The school is performing well above floor targets with improvements in Reading, Writing and Maths.

Going concern

After making appropriate enquiries, the Governing Body 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.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report (continued)

Financial review

This has been a successful year for both Academies within the Trust, not only in terms of the achievement of our students as outlined in the previous section but also from a financial perspective. In spite of large increases to employment costs with the changes to National Insurance and Employer contributions to the Teachers' Pension Scheme, the Trust has been able to maintain in year surpluses in both schools.

In the Secondary Academy, this has been due to an increase in pupil numbers and increasing revenues from Catering and School to School Support. A scaling back of our capital plans has also reduced the amount that we have needed to contribute to capital expenditure from our general annual grant.

The target for the Primary Academy was to ensure that the in-year surplus for this year would put the academy back in overall surplus. High supply costs to cover long term staff absences have made this a challenge but with the number on roll increasing by 19 due to the improved reputation of the school, we have met and exceeded this target.

In addition to the funding for individual academies, the Trust has also received a grant from the EFA to help build capacity to take on and support more schools. Some of this has been spent on revising the accounting structure to make it easier to report across multiple schools but most will be carried forward in funds for future projects.

The Secondary Academy had received Capital Grants of £2,251,634 for improvements to the road access to the site and for the construction of a new Drama theatre, drama teaching room and additional dining facilities. Although not all this grant had been received prior to year-end we are required to show all the monies in the financial statement as being received in year. The work to the road access was completed within the year but the Drama Theatre will not be completed until September 2017.

Next year will be a challenging year for the Secondary Academy as further strong growth in pupil numbers will not filter through in funding until 2017/18 and changes to the threshold for additional High Needs funding from the Local Authority will result in a drop in funding per pupil of £41. This is against a backdrop of a continuing rise in employment costs. At present the effect of this will be to see an in year deficit of £40k but steps will be taken through the year to reduce this. In the Primary Academy the per pupil decline in funding is even more marked at £87 but an increase of 12 in the funded student numbers will mean that the figures will be in balance at the end of the year.

A delay in the implementation of the Education Fairer Funding Formula will put further pressure on the budgets of both schools over the next two years. There is currently an imbalance in education funding across the UK. Schools in Devon receive £769 less per pupil than the top 10 funded Local Authorities outside London and £2,089 less per pupil if you include London. For Uffculme that would mean that if we were funded the same as the top 10 areas, we would receive an additional £906,000 for the two schools.

The Trustees however are confident that the Academy Trust is in a sound financial position going into the new financial year but are aware that real term reductions in education funding will mean that difficult decisions will need to be taken in order to protect the quality of Teaching and Learning over the next few years.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report (continued)

Restricted funds

In the year, the Trust has received General Annual Grant (GAG) income totalling £5,499,059. The trust spent £5,348,911 of this on GAG activities. Of this, 83% was spent on direct salary costs across the two schools. This has continued to support the 8 form entry model in the Secondary School which, as it gives smaller class sizes, is one of the key drivers in the outcomes for our students. Some of this salary cost was covered by specific grants such as Pupil Premium and the Year 7 Catch-Up grant used to fund additional intervention and support from both teaching and support staff.

£71,421 was transferred to the Fixed Asset Fund to support capital purchases to improve the learning environment. This included the last phase of a project to upgrade the Fire Alarm system and the installation of touchscreen TV's to 5 classrooms at the Secondary Academy, the filling in of the redundant swimming pool to create additional outdoor sport and play space at the Primary Academy and the continued upgrading of IT resources at both schools - including a new server and the installation of a new wireless system at the Primary Academy.

The trust received £2,281,320 of Capital Grants in the year. £2,251,634 of this was from the Education Funding Agency for the improvement to road access to the site and the construction of a new Drama theatre, studio and additional dining facilities - a project which is due for completion in September 2017, £3,000 from the Primary academy PTFA toward a new safer gate and path access to the school and £26,686 of Devolved Formula Capital and was spent on a variety of small IT, Building and Equipment projects across both academies.

The Trust carries forward £16,352,131 (excluding the pension reserve) into the next accounting period.

Unrestricted funds

The trust generated £882,771 of its own income of which £862,500 was designated as unrestricted. Of this income, £347,552 related to Catering, £264,589 from Activities & Trips, £56,083 from providing support to other schools and £45,642 from Music Tuition. The trust received £10,415 of voluntary donations in the year not including donations for capital items.

Non GAG expenditure in the year was £711,819. Catering salaries amounted to £166,397. Catering direct costs were £193,467 and £265,074 was spent on Activities and trips.

The Trust carries forward a balance of £509,166 on the unrestricted fund to the next accounting year.

Trading performance of subsidiaries

The sports centre is operated out of school hours by a subsidiary of the Trust – Uffculme Sport and Fitness Limited. Revenue comes from gym and class membership and hire of the facilities to external sport groups. Revenue for the period was £73,922. Costs for running the club are mainly made up of salaries of £39,825. A share of the running costs of the centre (utilities, maintenance and VAT) is charged from the Trust as a management fee amounting to £10,217 in the period and the remainder of the costs are for the subsidiaries own marketing and administration costs. Any surplus from the subsidiary is passed over to the Trust in the form of Gift Aid. This amounted to £18,156 in the period.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report (continued)

Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of free reserves should be a minimum of £400,000 (equivalent to one month's revenue expenditure). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £509,166.

Investment policy

The Trustees have elected to keep investments liquid for the time being. £420,409 is held in a Virgin Charity Deposit Account. The current rate of interest on this account is 0.5% per half year.

Principal risks and uncertainties

The Academy has worked with its internal auditor to consider the principal risks it faces under the following headings:

- Asset Management
- Cash and bank
- Corporate governance
- Data Protection
- Disaster recovery and contingency planning
- Financial management
- Freedom of Information
- Health and Safety
- Human resources
- Income and receipts
- Insurance
- IT Security
- Payroll
- Procurement
- Risk Management
- School Meals
- Transport
- Use of premises

The internal auditor bases his termly audits on a 3 year plan covering all the above areas, looking in detail at each area where a risk was identified in order to ensure that processes are in place to reduce or mitigate the risk. Where controls are not in place or are needed to be strengthened, they are reported to the Finance Committee by the Internal Auditor and the Academy Business Manager presents an action plan to address any shortfall.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report (continued)

The Trust carries a liability of £3,958,000 on the Local Government Pension Scheme as of 31st August 2016. The liability at the end of the previous year was £2,176,000.

The Trust is forecasting an overall in-year surplus across both schools in 2016/17 although this masks a deficit in the Secondary School. The Primary School has now fully recouped the deficit incurred in its first year as part of the MAT in 2013/14 and in 2016/17 will be contributing to the Trust reserves. The delay in the introduction of the DfE's Fairer Funding Formula from which both schools may have gained is frustrating and will put further pressure on the Trusts finances in the near future. 2016/17 and 2017/18 will see the full effect of changes to Teachers Pension Contributions and ending of Contracting out of National Insurance. Fortunately both schools are seeing good growth in Pupil Numbers although the full effect of this will not be felt until 2017/18 due to the way that funding is lagged.

Plans for future periods

The Academy Trust continues to strive to improve the outcomes for students of all abilities. The School Improvement Plans for both Academies cover the period to 2018 and clearly lay out the actions being taken to achieve this.

The Trust is being encouraged by the DfE and has received additional 'capacity funding' to ensure that the practices and process used in Uffculme that have produced such consistently high results should be shared with other schools. This work has already started with a number of school to school support initiatives in place. The Trust is currently in discussion with a number of local schools who are looking for a more formal coalition with a view to growing the MAT. The Governance Structure of the Trust has been revised to ensure that it is best placed to react to this growth

The Trust has received funding for 2 major capital projects this year. The first of these – to improve the access to the Secondary School site for cars and coaches was completed at the end of August and work was started to build a new 400 seat Drama Theatre and extension to the existing dining facilities. Although capital money is in short supply, the Trust is set on continue to improve the learning environment in both schools and has used £71,421 of its GAG funding for this purpose. In the short term, the aim is to increase classroom capacity at the Primary School, to replace old temporary classrooms at the Secondary School and to develop an artificial sports pitch.

The addition of a sixth form remains a long term aspiration for the Academy and is supported by the local community.

Uffculme Academy Trust

Trustees' Report for the Year Ended 31 August 2016 (continued)

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Board of Trustees on 24.12.16. and signed on its behalf by:


.....

S J Brewer
Trustee

Uffculme Academy Trust

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to L M Heath, (Executive Headteacher), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Uffculme Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 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
S J Brewer	5	5
J E Adamson	4	5
A L Aspden	5	5
J D Batchelor	3	5
J E G Brookes	4	5
E Sims-Fielding	5	5
N Gilbert	2	2
M A Graesser	5	5
L M Heath	5	5
J Larcombe	4	5

Governance reviews

Following a self-evaluation and with input from the DfE, the Board of Directors recognises the need to change the membership of the Trust. The Members are currently comprised of three existing Directors and it is felt that there needs to be at least one Member who is separate from the Directors and who can hold them to account. Some work has been done over the year to recruit a suitable person for this role but as yet with no success. It is felt that there is also a need to appoint a director with legal experience to add to the existing range of expertise on the Board.

The Finance, Premises and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to exercise the powers and duties of the Trustees in respect of the financial administration of the Academy Trust, except for those items specifically reserved for the Board of Trustees and those delegated to the Executive Headteacher and other staff and to report on decisions taken under delegated powers to the next board meeting. Attendance at these meetings was as follows:

Uffculme Academy Trust

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
J D Batchelor	3	4
A L Aspden	4	4
J E G Brookes	4	4
L M Heath	2	4
J Larcombe	4	4

The Personnel and Pay Committee is a sub-committee of the main Board of Trustees. Its purpose is to review and make recommendations to the Board of Trustees on all matters in connection with the Human Resources and employee remuneration. Attendance at these meetings was as follows:

Trustee	Meetings attended	Out of a possible
S J Brewer	3	3
J E Adamson	2	3
E Sims-Fielding	2	3
N Gilbert	1	1
M A Graesser	3	3
L M Heath	3	3

Review of value for money

As accounting officer the Executive Headteacher 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:

- Delivering the best ever GCSE results in the secondary school in spite of a reduction in per pupil funding and an unfunded rise in National Insurance and Pension contributions.
- Improving outcomes and growing pupil numbers in the primary school.
- Reviewing a number of key contracts to identify where savings can be made - Mobile Phone, Copiers and Kitchen Equipment maintenance
- Carrying out targeted benchmarking with a selected group of similar schools. This has allowed discussion on each element of the benchmarking to ensure that the data was comparative, that there was an understanding of the differences and that ideas from other Academies could be transferred to this MAT

Uffculme Academy Trust

Governance Statement (continued)

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 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, Premises and Risk 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 re-appointed Mr R. Wilcocks (a freelance auditor with a background in local authority finance) as Internal Auditor. His role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The methodology is set out more clearly in the Trustees Report. After conducting the initial risk review, the Trust is now in Year 2 of a 3-year programme of checks. In the year to 31st August 2016 checks have been carried out on the following areas:

- Asset management
- Cash and banking
- Health, safety and welfare
- Human resource management
- Insurance arrangements
- Pupil data
- Risk management
- Core financial procedures
- Register of directors interests

These checks did not highlight any major concerns with control procedures at the Academy Trust. These checks will continue to be carried out on a termly basis and the results will be reviewed at the Finance Premises and Risk Committee meeting following the check.

There were no material control or other issues reported by the internal auditor to date.

Uffculme Academy Trust

Governance Statement (continued)


Review of effectiveness

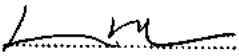
As Accounting Officer, L M Heath, (Executive Headteacher) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the business manager 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 Committee Finance, Premises and Risk Committee and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 24.12.16 and signed on its behalf by:


.....
S J Brewer
Trustee


.....
L M Heath
Accounting officer
Trustee

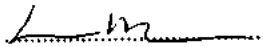
Uffculme Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Uffculme Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

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



L M Heath, (Executive Headteacher)
Accounting officer

Date: 6.12.16

Uffculme Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 02.12.16. and signed on its behalf by:



S J Brewer
Trustee

Uffculme Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Uffculme Academy Trust

We have audited the financial statements of Uffculme Academy Trust for the year ended 31 August 2016, which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 24), 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 (APB'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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

Uffculme Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Uffculme Academy Trust (continued)

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:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

.....
Simon Lewis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Date: 14/12/16

Uffculme Academy Trust

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

In accordance with the terms of our engagement letter dated 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 Uffculme 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 Board of Trustees and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Board of Trustees 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 Board of Trustees and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Board of Trustees's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion has been designed to comply with the requirements set out in The Accounts Direction 2015 to 2016 and includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- performing substantive tests on relevant transactions

Uffculme Academy Trust

**Independent Reporting Accountant's Report on Regularity to Uffculme Academy Trust
and the Education Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

.....
Simon Lewis
For and on behalf of Thompson Jenner LLP, Chartered Accountants

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Date: 14/12/16.....

Uffculme Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	10,415	-	2,281,320	2,291,735
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	6,010,208	-	6,010,208
Other trading activities	4	831,910	20,271	-	852,181
Investments	5	3,933	-	-	3,933
Total		<u>846,258</u>	<u>6,030,479</u>	<u>2,281,320</u>	<u>9,158,057</u>
Expenditure on:					
Raising funds	6	681,229	-	-	681,229
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	6,158,511	403,911	6,562,422
Total		<u>681,229</u>	<u>6,158,511</u>	<u>403,911</u>	<u>7,243,651</u>
Net income/(expenditure)		165,029	(128,032)	1,877,409	1,914,406
Transfers between funds		(63,040)	(8,381)	71,421	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	25	-	(1,593,000)	-	(1,593,000)
Net movement in funds/(deficit)		101,989	(1,729,413)	1,948,830	321,406
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		<u>407,177</u>	<u>(2,113,711)</u>	<u>14,288,425</u>	<u>12,581,891</u>
Total funds/(deficit) carried forward at 31 August 2016		<u>509,166</u>	<u>(3,843,124)</u>	<u>16,237,255</u>	<u>12,903,297</u>

Uffculme Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2015 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £
Income and endowments from:					
Donations and capital grants	2	-	6,483	60,913	67,396
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	5,714,926	-	5,714,926
Other trading activities	4	830,987	20,915	-	851,902
Investments	5	6,994	-	-	6,994
Total		<u>837,981</u>	<u>5,742,324</u>	<u>60,913</u>	<u>6,641,218</u>
Expenditure on:					
Raising funds	6	766,780	-	-	766,780
<i>Charitable activities:</i>					
Academy trust educational operations	7	55,519	5,868,046	384,908	6,308,473
Total		<u>822,299</u>	<u>5,868,046</u>	<u>384,908</u>	<u>7,075,253</u>
Net income/(expenditure)		15,682	(125,722)	(323,995)	(434,035)
Transfers between funds		(30,332)	(50,166)	80,498	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	25	-	23,000	-	23,000
Net movement in deficit		(14,650)	(152,888)	(243,497)	(411,035)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2014		<u>421,827</u>	<u>(1,960,823)</u>	<u>14,531,922</u>	<u>12,992,926</u>
Total funds/(deficit) carried forward at 31 August 2015		<u>407,177</u>	<u>(2,113,711)</u>	<u>14,288,425</u>	<u>12,581,891</u>

Uffculme Academy Trust

(Registration number: 07338835)

Consolidated Balance Sheet as at 31 August 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	14,294,087	14,272,328
Current assets			
Stocks	14	6,681	-
Debtors	15	1,542,413	121,554
Cash at bank and in hand		<u>1,809,290</u>	<u>713,639</u>
		3,358,384	835,193
Creditors: Amounts falling due within one year	16	<u>(791,174)</u>	<u>(349,630)</u>
Net current assets		<u>2,567,210</u>	<u>485,563</u>
Total assets less current liabilities		<u>16,861,297</u>	<u>14,757,891</u>
Net assets excluding pension liability		16,861,297	14,757,891
Pension scheme liability	25	<u>(3,958,000)</u>	<u>(2,176,000)</u>
Net assets including pension liability		<u>12,903,297</u>	<u>12,581,891</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	17	114,876	62,289
Restricted fixed asset fund	17	16,237,255	14,288,425
Restricted pension fund	17	<u>(3,958,000)</u>	<u>(2,176,000)</u>
		12,394,131	12,174,714
Unrestricted funds			
Unrestricted general fund	17	<u>509,166</u>	<u>407,177</u>
Total funds		<u>12,903,297</u>	<u>12,581,891</u>


The financial statements on pages 29 to 62 were approved by the Trustees, and authorised for issue on 22.12.16 and signed on their behalf by:


 S J Brewer
 Trustee

Uffculme Academy Trust
(Registration number: 07338835)
Balance Sheet as at 31 August 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	14,294,087	14,272,328
Current assets			
Stocks	14	6,681	-
Debtors	15	1,584,937	151,377
Cash at bank and in hand		<u>1,765,929</u>	<u>683,815</u>
		3,357,547	835,192
Creditors: Amounts falling due within one year	16	<u>(790,338)</u>	<u>(349,630)</u>
Net current assets		<u>2,567,209</u>	<u>485,562</u>
Total assets less current liabilities		<u>16,861,296</u>	<u>14,757,890</u>
Net assets excluding pension liability		16,861,296	14,757,890
Pension scheme liability	25	<u>(3,958,000)</u>	<u>(2,176,000)</u>
Net assets including pension liability		<u>12,903,296</u>	<u>12,581,890</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	17	114,876	62,289
Restricted fixed asset fund	17	16,237,255	14,288,425
Restricted pension fund	17	<u>(3,958,000)</u>	<u>(2,176,000)</u>
		12,394,131	12,174,714
Unrestricted funds			
Unrestricted general fund	17	<u>509,165</u>	<u>407,176</u>
Total funds		<u>12,903,296</u>	<u>12,581,890</u>

The financial statements were approved by the Trustees, and authorised for issue on 22.12.16... and signed on their behalf by:



 S J Brewer
 Trustee

Uffculme Academy Trust

Consolidated Statement of Cash Flows for the Year Ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(763,933)	295,588
Cash flows from investing activities	22	<u>1,859,584</u>	<u>(407,543)</u>
Change in cash and cash equivalents in the year		1,095,651	(111,955)
Cash and cash equivalents at 1 September		<u>713,639</u>	<u>825,594</u>
Cash and cash equivalents at 31 August	23	<u><u>1,809,290</u></u>	<u><u>713,639</u></u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016

1 Accounting policies

Statement of accounting policies

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

Basis of preparation

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.

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

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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its sole subsidiary undertaking. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Income

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

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

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.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Freehold buildings	50 years straight line
Minor buildings	15 to 30 years straight line
Fixtures, fittings and equipment	3 to 5 years
Assets in the course of construction and Freehold Land	None

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

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.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Pension 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 quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other 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.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

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 the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2016 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.

Subsidiary undertaking

The financial statements include the results of Uffculme Sports and Fitness Limited, a wholly owned subsidiary. Further details of the subsidiary and its results are set out in note 13. Profits generated by the subsidiary will be passed to the Academy via gift aid.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
Capital grants	-	-	2,281,320	2,281,320	60,913
Other donations	10,415	-	-	10,415	6,483
	<u>10,415</u>	<u>-</u>	<u>2,281,320</u>	<u>2,291,735</u>	<u>67,396</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	5,499,059	5,499,059	5,114,787
Other DfE/EFA Grants	-	274,608	274,608	403,669
	<u>-</u>	<u>5,773,667</u>	<u>5,773,667</u>	<u>5,518,456</u>
Other government grants				
Local Authority Grants	-	20,789	20,789	54,669
SEN from LA	-	134,248	134,248	141,801
Special Educational Projects	-	81,504	81,504	-
	<u>-</u>	<u>236,541</u>	<u>236,541</u>	<u>196,470</u>
Total grants	<u>-</u>	<u>6,010,208</u>	<u>6,010,208</u>	<u>5,714,926</u>

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	85,608	-	85,608	79,213
Catering income	347,552	-	347,552	343,671
Other sales	398,750	20,271	419,021	429,018
	<u>831,910</u>	<u>20,271</u>	<u>852,181</u>	<u>851,902</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	3,933	-	3,933	6,994

6 Expenditure

	Non Pay Expenditure			Total 2016 £	Total 2015 £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds	234,879	53,654	392,696	681,229	766,780
Academy's educational operations					
Direct costs	4,431,244	403,911	379,561	5,214,716	4,948,728
Allocated support costs	669,124	277,804	400,778	1,347,706	1,359,745
	5,335,247	735,369	1,173,035	7,243,651	7,075,253

Net expenditure for the year includes:

	2016 £	2015 £
Operating lease rentals	34,221	41,513
Depreciation	403,911	302,409
Fees payable to auditor - audit	8,160	6,250
- other audit services	606	3,458

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000	
		Amount £	Reason
Compensation payments	20,000	10,000	Settlement agreement
	-	10,000	Settlement agreement

The legal authority sought to make ex-gratia payments was in compliance with the Academies Financial Handbook 2015, being delegated authority or approval from the Education Funding Agency.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

7 Charitable activities

	Total 2016 £	Total 2015 £
Direct costs - educational operations	5,214,716	4,948,728
Support costs - educational operations	<u>1,347,706</u>	<u>1,359,745</u>
	<u>6,562,422</u>	<u>6,308,473</u>
	Total 2016 £	Total 2015 £
Analysis of support costs - educational operations		
Support staff costs	669,124	630,383
Technology costs	39,056	44,348
Premises costs	277,804	330,338
Other support costs	335,884	333,936
Governance costs	<u>25,838</u>	<u>20,740</u>
Total support costs	<u>1,347,706</u>	<u>1,359,745</u>

8 Staff

Staff costs

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	4,134,018	4,026,606
Social security costs	319,966	278,174
Operating costs of defined benefit pension schemes	<u>770,691</u>	<u>684,460</u>
	5,224,675	4,989,240
Supply staff costs	90,572	78,072
Staff restructuring costs	<u>20,000</u>	<u>1,000</u>
	<u>5,335,247</u>	<u>5,068,312</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £20,000 (2015: £1,000). Individually, the payments were:

Non-contractual payments £10,000

Non-contractual payments £10,000

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

8 Staff (continued)

Staff numbers

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

	2016 No	2015 No
Charitable Activities		
Teachers	67	69
Administration and support	59	63
Management	7	6
	<u>133</u>	<u>138</u>

Higher paid staff

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

	2016 No	2015 No
£60,001 - £70,000	4	1
£90,001 - £100,000	-	1
£100,001 - £110,000	<u>1</u>	<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 £584,107 (2013: £533,001).

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

9 Central services

The accounting structure for the Multi Academy Trust is detailed in the trusts 'Financial Policy and Procedures Manual'.

The Multi Academy Trust is set up as a central services provider and makes a charge to each school within the trust based on a % of their total public income. The charging structure is split into 4 categories to give flexibility to schools joining the trust depending on which central services they need to use. The categories are:

Core offer

Leadership & governance
Capita resource finance package with training
HR advice
Legal advice
Internal audit
End of year audit

Finance support

Sales and purchase ledger
Banking

Premises and facilities management

Planned maintenance programme
Line management of site team
Health and safety

IT support

Strategic ICT planning
ICT procurement
IT helpdesk
On-site support

All cost attributable to these services are assigned to the MAT and a monthly charge is made to each school based on the relevant % to pay for the services they use.

The actual amounts charged during the year were as follows:

	2016
	£
Uffculme School	384,942
Uffculme Primary School	<u>50,647</u>
	<u>435,589</u>

Where services are supplied to both schools and the supplier invoices are not already split between the two schools the costs are split on a 15% / 85% basis.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

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:

L M Heath (Headteacher):

Remuneration: £100,000 - £105,000 (2015 - £95,000 - £100,000)

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

A L Aspden (Business Manager):

Remuneration: £60,000 - £65,000 (2015 - £Nil)

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

During the year ended 31 August 2016, travel and subsistence expenses totalling £89 (2015 - £Nil) were reimbursed or paid directly to 2 trustees (2015 - 0).

Other related party transactions involving the trustees are set out in note 26.

11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA) from 1st April 2015, as an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

12 Tangible fixed assets

Group and Company

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Assets in the course of construction £	Total £
Cost					
At 1 September 2015	14,910,204	399,536	369,330	39,807	15,718,877
Additions	13,316	15,198	42,112	357,904	428,530
Disposals	-	-	(12,820)	-	(12,820)
Transfers	2,769	2,950	22,101	(27,820)	-
At 31 August 2016	<u>14,926,289</u>	<u>417,684</u>	<u>420,723</u>	<u>369,891</u>	<u>16,134,587</u>
Depreciation					
At 1 September 2015	1,125,304	125,923	195,322	-	1,446,549
Charge for the year	296,598	40,298	67,014	-	403,910
Eliminated on disposals	-	-	(9,959)	-	(9,959)
At 31 August 2016	<u>1,421,902</u>	<u>166,221</u>	<u>252,377</u>	<u>-</u>	<u>1,840,500</u>
Net book value					
At 31 August 2016	<u>13,504,387</u>	<u>251,463</u>	<u>168,346</u>	<u>369,891</u>	<u>14,294,087</u>
At 31 August 2015	<u>13,784,900</u>	<u>273,613</u>	<u>174,008</u>	<u>39,807</u>	<u>14,272,328</u>

13 Investments

Group

The Academy owns 100% of the Ordinary shares of Uffculme Sports and Fitness Limited, a company incorporated in England and Wales. The principal activity of the company is the management of the Sports and Fitness Centre at Uffculme Academy Trust. Turnover for the year ended 31 August 2016 was £73,922, expenditure was £73,922 and the profit/(loss) for the year was £Nil. The assets of the company at 31 August 2016 were £43,940, liabilities were £43,939 and capital and reserves were £1.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

14 Stock

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Books and stationery	4,013	-	4,013	-
Catering	2,668	-	2,668	-
	<u>6,681</u>	<u>-</u>	<u>6,681</u>	<u>-</u>

15 Debtors

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	11,760	41,271	26,706	60,026
VAT recoverable	65,305	8,150	65,305	8,150
Other debtors	39,040	1,041	49,041	11,041
Prepayments	107,864	71,092	107,285	72,160
Accrued grant and other income	1,318,444	-	1,336,600	-
	<u>1,542,413</u>	<u>121,554</u>	<u>1,584,937</u>	<u>151,377</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

16 Creditors: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	173,123	35,795	172,970	35,795
Other taxation and social security	97,117	80,290	97,117	80,290
Other creditors	156,450	938	156,450	938
Accruals	32,984	47,354	32,301	47,354
Deferred income	248,642	111,432	248,642	111,432
Pension scheme creditor	82,858	73,821	82,858	73,821
	<u>791,174</u>	<u>349,630</u>	<u>790,338</u>	<u>349,630</u>

Group and Company

	2016
	£
Deferred income	
Deferred income at 1 September 2015	111,432
Resources deferred in the period	248,642
Amounts released from previous periods	<u>(111,432)</u>
Deferred income at 31 August 2016	<u>248,642</u>

At the balance sheet date the academy was holding funds received in advance for trips and activities, autumn term 2016 music tuition and grants from the DfE/EFA including the rates grant and the UIFSM funding.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

17 Funds

Group

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant (GAG)	-	5,499,059	(5,348,911)	(150,148)	-
Other DfE/EFA Grants	36,706	356,112	(287,218)	-	105,600
SEN Funding	-	134,248	(276,015)	141,767	-
Other Local Authority Grants	16,971	20,789	(37,096)	-	664
Other Grants	8,612	20,271	(20,271)	-	8,612
	<u>62,289</u>	<u>6,030,479</u>	<u>(5,969,511)</u>	<u>(8,381)</u>	<u>114,876</u>
Restricted fixed asset funds					
Transfer on Conversion	10,457,954	-	(210,756)	-	10,247,198
DfE/EFA capital grants	2,978,919	2,251,634	(86,220)	-	5,144,333
Devolved Formula Capital	99,326	26,686	(16,601)	-	109,411
Capital Expenditure from GAG	711,981	-	(88,621)	71,421	694,781
Private Sector Capital Sponsorship	40,245	3,000	(1,713)	-	41,532
	<u>14,288,425</u>	<u>2,281,320</u>	<u>(403,911)</u>	<u>71,421</u>	<u>16,237,255</u>
Restricted pension funds					
Pension Scheme Reserve	<u>(2,176,000)</u>	<u>-</u>	<u>(189,000)</u>	<u>(1,593,000)</u>	<u>(3,958,000)</u>
Total restricted funds	12,174,714	8,311,799	(6,562,422)	(1,529,960)	12,394,131
Unrestricted funds					
Unrestricted general funds	<u>407,177</u>	<u>846,258</u>	<u>(681,229)</u>	<u>(63,040)</u>	<u>509,166</u>
Total funds	<u>12,581,891</u>	<u>9,158,057</u>	<u>(7,243,651)</u>	<u>(1,593,000)</u>	<u>12,903,297</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

17 Funds (continued)

Company

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant (GAG)	-	5,499,059	(5,348,911)	(150,148)	-
Other DfE/EFA Grants	36,706	325,522	(256,628)	-	105,600
SEN funding	-	134,248	(276,015)	141,767	-
Other Local Authority Grants	16,971	20,789	(37,096)	-	664
Other grants	8,612	20,271	(20,271)	-	8,612
	<u>62,289</u>	<u>5,999,889</u>	<u>(5,938,921)</u>	<u>(8,381)</u>	<u>114,876</u>
Restricted fixed asset funds					
Transfer on conversion	10,457,954	-	(210,756)	-	10,247,198
DfE/EFA Capital Grants	2,978,919	2,251,634	(86,220)	-	5,144,333
Devolved Formula Capital	99,326	26,686	(16,601)	-	109,411
Capital Expenditure from GAG	711,981	-	(88,621)	71,421	694,781
Private Sector Capital Sponsorship	40,245	3,000	(1,713)	-	41,532
	<u>14,288,425</u>	<u>2,281,320</u>	<u>(403,911)</u>	<u>71,421</u>	<u>16,237,255</u>
Restricted pension funds					
Pension Scheme Reserve	<u>(2,176,000)</u>	<u>-</u>	<u>(189,000)</u>	<u>(1,593,000)</u>	<u>(3,958,000)</u>
Total restricted funds	12,174,714	8,281,209	(6,531,832)	(1,529,960)	12,394,131
Unrestricted funds					
Unrestricted general funds	<u>407,176</u>	<u>831,300</u>	<u>(666,271)</u>	<u>(63,040)</u>	<u>509,165</u>
Total funds	<u>12,581,890</u>	<u>9,112,509</u>	<u>(7,198,103)</u>	<u>(1,593,000)</u>	<u>12,903,296</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

17 Funds (continued)

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

General Annual Grant:

This includes all monies received from the EFA to carry out the objectives of the Academy trust. It includes the School Budget Share, Education Support Grant, insurance top up and Rates Grant. Under the agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward in August 2016.

Other DfE/EFA Grants:

This includes Pupil Premium, Year 7 Catch up funding and the PE Support Grant. It also includes initial funding for The West Country Teaching School Alliance and A Sponsor capacity Grant.

SEN Funding:

This is money received from the EFA via the Local Authority to support individual students with particular needs. The salary costs of the Teaching assistants are set against this with any overspend funded from GAG

Other Local Authority Grants:

These are grants received either directly from DCC or through DCC supported organisations. They include income from the Culm Valley Learning Community to support PE provision and Local Area Provision Funding.

Other:

This includes a number of smaller grants and donations, including supply reimbursement and teacher training income.

Pension Scheme Reserve:

This represents the Academy's share of the negative reserve in respect of the Local Government Pension Scheme.

Restricted Fixed Asset Fund:

The fund includes the value of the Fixed Assets of the Academy on Incorporation and of the Primary School on transfer. It also includes monies received from the EFA specifically for the Capital Expenditure on fixed assets and monies transferred from GAG for the purchase of Fixed assets. Donations to the school for the purchase of specific fixed assets is also included.

Analysis of academies by fund balance

Fund balances at 31 August 2016 were allocated as follows:

	Total £
Uffculme School	552,263
Uffculme Primary School	13,078
Central services	58,700
	<hr/>
Total before fixed assets and pension reserve	624,041
Transfer on conversion	16,237,255
Pension Scheme Reserve	(3,958,000)
	<hr/>
Total	<u>12,903,296</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

17 Funds (continued)

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2016 £
Uffculme School	630,700	61,064	18,300	147,029	857,093
Uffculme Primary School	3,571,978	533,738	247,563	974,053	5,327,332
West Country Teaching School	18,207	-	-	5,842	24,049
Central services	<u>210,359</u>	<u>205,200</u>	<u>-</u>	<u>26,707</u>	<u>442,266</u>
Academy Trust	<u><u>4,431,244</u></u>	<u><u>800,002</u></u>	<u><u>265,863</u></u>	<u><u>1,153,631</u></u>	<u><u>6,650,740</u></u>

Total resources expended for the year of £7,243,651 comprise the cost above of £6,650,740, depreciation of £403,911 and the defined benefit pension scheme adjustments that cannot be allocated to a particular school of £189,000.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

18 Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	14,294,087	14,294,087
Current assets	708,724	487,767	2,161,893	3,358,384
Current liabilities	(164,396)	(395,416)	(231,362)	(791,174)
Pension scheme liability	-	(3,958,000)	-	(3,958,000)
Total net assets	544,328	(3,865,649)	16,224,618	12,903,297

Company

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	14,294,087	14,294,087
Current assets	708,724	487,767	2,161,893	3,358,384
Current liabilities	(164,396)	(395,416)	(231,362)	(791,174)
Pension scheme liability	-	(3,958,000)	-	(3,958,000)
Total net assets	544,328	(3,865,649)	16,224,618	12,903,297

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

19 Capital commitments

Group and Company

	2016 £	2015 £
Contracted for, but not provided in the financial statements	<u>1,907,075</u>	<u>-</u>

20 Commitments under operating leases

Group

Operating leases

At 31 August 2016 the Group had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Amounts due within one year	40,500	39,361
Amounts due between one and five years	<u>75,749</u>	<u>94,526</u>
	<u>116,249</u>	<u>133,887</u>

Company

Operating leases - company

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

	2016 £	2015 £
Amounts due within one year	40,500	39,361
Amounts due between one and five years	<u>75,749</u>	<u>94,526</u>
	<u>116,249</u>	<u>133,887</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

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

	2016	2015
	£	£
Net income/(expenditure)	1,914,406	(434,035)
Depreciation	403,910	384,908
Capital grants from DfE and other capital income	(2,281,320)	(60,913)
Interest receivable	(3,933)	(6,994)
Defined benefit pension scheme service cost	104,000	97,000
Defined benefit pension scheme finance cost	85,000	81,000
Increase in stocks	(6,681)	-
(Increase)/decrease in debtors	(1,420,859)	278,059
Increase/(decrease) in creditors	441,544	(43,437)
Net cash (used in)/provided by Operating Activities	<u>(763,933)</u>	<u>295,588</u>

22 Cash flows from investing activities

	2016	2015
	£	£
Dividends, interest and rents from investments	3,933	6,994
Purchase of tangible fixed assets	(428,530)	(475,450)
Proceeds from sale of tangible fixed assets	2,861	-
Capital funding received from sponsors and others	<u>2,281,320</u>	<u>60,913</u>
Net cash provided by/(used in) investing activities	<u>1,859,584</u>	<u>(407,543)</u>

23 Analysis of cash and cash equivalents

	At 31 August 2016	At 31 August 2015
	£	£
Cash at bank and in hand	<u>1,809,290</u>	<u>713,639</u>
Total cash and cash equivalents	<u>1,809,290</u>	<u>713,639</u>

24 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

25 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 . 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 £82,858 (2015 - £73,821) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

25 Pension and similar obligations (continued)

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 £478,645 (2015: £405,409).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £254,000 (2015 - £247,000), of which employer's contributions totalled £191,000 (2015 - £187,000) and employees' contributions totalled £63,000 (2015 - £60,000). The agreed contribution rates for future years are 14.8 per cent for employers and 5.7 per cent for employees.

Principal actuarial assumptions

	At 31 August 2016 %	At 31 August 2015 %
Rate of increase in salaries	4.10	4.50
Rate of increase for pensions in payment/inflation	2.30	2.70
Discount rate for scheme liabilities	2.20	4.00
Inflation assumptions (CPI)	2.30	2.70
RPI increases	<u>3.20</u>	<u>3.60</u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

25 Pension and similar obligations (continued)

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%	0.0%	- 0.1%
Adjustment to discount rate	£	£	£
Present value of total obligation	6,147,000	6,291,000	6,439,000
Projected service cost	433,000	443,000	453,000
	<u>+ 0.1%</u>	<u>0.0%</u>	<u>- 0.1%</u>
Adjustment to pension increase and deferred revaluation	£	£	£
Present value of total obligation	6,410,000	6,291,000	6,175,000
Projected service cost	443,000	443,000	443,000
	<u>+ 0.1%</u>	<u>0.0%</u>	<u>- 0.1%</u>
Adjustment to rate of salary growth	£	£	£
Present value of total obligation	6,319,000	6,291,000	6,263,000
Projected service cost	443,000	443,000	443,000
	<u>+ 1 Year</u>	<u>None</u>	<u>- 1 Year</u>
Adjustment to mortality age rating assumption	£	£	£
Present value of total obligation	6,455,000	6,291,000	6,131,000
Projected service cost	454,000	443,000	432,000

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

	At 31 August 2016	At 31 August 2015
Retiring today		
Males retiring today	22.90	22.80
Females retiring today	26.20	26.10
Retiring in 20 years		
Males retiring in 20 years	25.20	25.10
Females retiring in 20 years	28.60	28.40

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

25 Pension and similar obligations (continued)

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

	At 31 August 2016 £	At 31 August 2015 £
Equities	1,368,000	1,067,000
Gilts	76,000	92,000
Other bonds	62,000	92,000
Property	230,000	200,000
Cash	39,000	43,000
Other	558,000	370,000
Total market value of assets	2,333,000	1,864,000
Present value of scheme liabilities - funded	<u>(6,291,000)</u>	<u>(4,040,000)</u>
Deficit in the scheme	<u><u>(3,958,000)</u></u>	<u><u>(2,176,000)</u></u>

The actual return on scheme assets was £272,000 (2015 - (£5,000)).

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

25 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2016	2015
	£	£
Current service cost (net of employee contributions)	295,000	284,000
Net interest cost	84,000	80,000
Administrative expenses	<u>1,000</u>	<u>1,000</u>
Total operating charge	<u><u>380,000</u></u>	<u><u>365,000</u></u>

Changes in the present value of defined benefit obligations were as follows:

	2016	2015
	£	£
At 1 September	4,040,000	3,682,000
Current service cost	295,000	284,000
Interest cost	162,000	149,000
Employee contributions	63,000	60,000
Actuarial losses/(gains)	1,787,000	(96,000)
Benefits paid	<u>(56,000)</u>	<u>(39,000)</u>
At 31 August	<u><u>6,291,000</u></u>	<u><u>4,040,000</u></u>

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

	2016	2015
	£	£
At 1 September	1,864,000	1,661,000
Interest income	78,000	69,000
Return on plan assets (excluding net interest on the net defined pension liability)	194,000	(73,000)
Employer contributions	191,000	187,000
Employee contributions	63,000	60,000
Benefits paid	(56,000)	(39,000)
Administrative expenses	<u>(1,000)</u>	<u>(1,000)</u>
At 31 August	<u><u>2,333,000</u></u>	<u><u>1,864,000</u></u>

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

26 Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

During the year the academy made the following related party transactions:

Grainge Architects Limited

(J E G Brookes at trustee of Uffculme Academy Trust is also a director of Grainge Architects Limited.) the trust purchased architectural services from Grainge Architects totalling £54,950 (2015: £5,400) during the period. The trust made the purchases at arms' length following a competitive tendering exercise in accordance with its financial regulations which took place prior to J E G Brookes becoming a trustee of Uffculme Academy Trust. In entering into the transactions the trust has complied with the requirement of the Academies Financial Handbook 2015. At the balance sheet date the amount due to Grainge Architects Limited was £25,208 (2015 - £Nil).

27 Transition to FRS 102

First time adoption of FRS 102

These financial statements are the first financial statements of Uffculme 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 Uffculme 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. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

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

Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 01 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Uffculme Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

27 Transition to FRS 102 (continued)

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below:

Reconciliation of total funds

	Note	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		12,992,926	<u>12,581,891</u>
Total funds reported under FRS 102		<u>12,992,926</u>	<u>12,581,891</u>

Reconciliation of net income/(expenditure)

	Note	Amount £
Net income/(expenditure) previously reported under UK GAAP		(397,035)
Change in recognition of LGPS interest cost		<u>(37,000)</u>
Net movement in funds reported under FRS 102		<u>(434,035)</u>

Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £37,000 and decrease the debit in other recognised gains and losses in the SOFA by an equivalent amount.