

Registered number: 07769026

**GREAT CHESTERFORD CHURCH OF ENGLAND
ACADEMY TRUST**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1
Trustees' Report	2 - 8
Governance Statement	9 - 12
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees' Responsibilities	14
Independent Auditors' Report on the Financial Statements	15 - 16
Independent Reporting Accountant's Assurance Report on Regularity	17 - 18
Statement of Financial Activities Incorporating Income and Expenditure Account	19
Balance Sheet	20
Statement of Cash Flows	21
Notes to the Financial Statements	22 - 36

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	The Chelmsford Diocese Educational Trust The Parochial Church Council of Great Chesterford The Parochial Church Council of Little Chesterford Chair (ex officio position)
Trustees	Mr H Weir, Headteacher (resigned 31 December 2015) Mr G Benn Mr A Blythe (resigned 22 March 2016) Mr D Boatman, Vice Chair Mrs F Keys Mrs S Mitchell, Headteacher Mrs N Starbuck Mr A Taylor, Chair Mrs E Tealby-Watson (resigned 22 March 2016) Mrs L Jeremy Mr M Johnson (resigned 31 August 2016) Mr J Worrall (resigned 16 September 2015) Rev J Parsons Mrs J Fullerty Ms A Peters (appointed 23 May 2016) Mr V Rust (appointed 5 November 2015) Mrs J Menell (appointed 1 September 2015) Mrs A Sargeant (appointed 1 January 2016)
Company registered number	07769026
Company name	Great Chesterford Church of England Academy Trust
Registered and principal office	School Street Great Chesterford Saffron Walden Essex CB10 1NN
Company Secretary	Ms Alison Daltrey
Chief Executive Officer	Mrs Sarah Mitchell
Senior Leadership Team	Sarah Mitchell Amy Sargeant Gemma Lincoln
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds 3 King Street Saffron Walden Essex CB10 1HF

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the financial statements and Auditor's Report of the Great Chesterford Church of England Academy Trust (the Academy, the Trust or 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 operates an Academy school for pupils aged 4 to 11 serving a catchment area in Uttlesford, North-West Essex. It has a pupil capacity of 210 and had a roll of 217 in the 2016 school census.

Structure, Governance and Management

The Academy is a company limited by guarantee and a registered charity. The Academy was incorporated on 9 September 2011. The Academy's Memorandum and Articles of Association are its primary governing documents.

The Trustees act as the Trustees for The Charitable Company and are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Academy is known as Great Chesterford Church of England Primary Academy (The School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

Members' Liability

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

Trustees Indemnities

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions. The Academy's insurance includes Trustee and third Party indemnity. Details are included in note 10 of the financial statements.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher and incumbent are ex officio members of the Board of Trustees. Parent Trustees and Staff Trustees are elected to office. Other Trustees are appointed by the Chelmsford Diocesan Educational Trust or co-opted by the Board of Trustees. The Board of Trustees reviews the balance and composition of the Board and pro-actively seeks to nominate Trustees with specific relevant skills. The Articles of Association make provision for not less than 7 Governors: 7 foundation Governors (1 shall be the nominee of the Parochial Church Council of Littlebury; 1 shall be the nominee of the Parochial Church Council of Great Chesterford; 1 shall be the nominee of the District Parochial Church Council of Little Chesterford and 4 shall be nominees of Chelmsford Diocese Education Trust) up to 2 Staff Governors, 2 Parent Governors, the Headteacher, the Incumbent and up to 2 Co-opted Governors.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively, e.g. safeguarding. To this end, the Trust encourages continued professional development to maintain and improve skills by providing in-house training in addition to signposting external provision (both on-line and face to face).

All new Trustees receive induction training, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chairman of Trustees and Headteacher. All Trustees are provided with a handbook plus school information including copies or links to adopted policies and procedure documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Board of Trustees is responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy's performance and making major decisions about the direction of the Academy, capital expenditure and Headteacher appointments. The Board of Trustees meets on at least four occasions per academic year and delegates the detailed consideration of matters to committees, which make decisions and / or recommendations to the Board of Trustees within their terms of reference. Each individual committee meets at least three times per year and monitors policies linked to their area of governance.

The Personnel and Admissions Committee monitors and reviews staff recruitment and management and admissions. The Finance and Premises Committee monitors premises, financial control, planning and reporting and the work of the Responsible Officer. The Curriculum Committee monitors the curriculum to make sure that it meets all legal requirements and is appropriate for the needs of the children. The Headteacher Performance Management Committee is supported by an external consultant. Committee members make visits to the school by rotation, which include visits to classes, talking to staff and children and reviewing documentation and implementation of policies.

The Headteacher and Senior Management Team (SMT) are responsible for the day to day operation of the Academy, in particular, organising staff, resources and children. The Headteacher is the Accounting Officer and is responsible for the authorisation of spending within agreed limits and the appointment of staff following safeguarding and vetting procedures.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Academy Trustees and those staff, to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Great Chesterford Pre-School
- Friends School, Saffron Walden
- Freedom Day Nursery, Great Dunmow
- Crocus Nursery, Saffron Walden
- Saint Mary's Church Pre-School, Saffron Walden
- Wenden Nursery, Wendens Ambo
- Bright Horizons, Hinxton
- Granta Park Nursery, Abbingdon
- Great Chesterford Parish Council
- Debden Church of England Primary School
- The Womean's Institute
- Great Chesterford Parish Church

The Trust does not have a formal sponsor.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Objectives and Activities

Objects and Aims

The Academy's principal activities are the provision of a free primary education to children of the ages 4 to 11 years, in a caring and Christian community, promoting high standards of attainment, extra-curricular activities and personal development. Our vision is to continue to prepare children for their role in the wider world, to promote resilience and develop their skills to allow them to be valued members of society.

The Academy's object is specifically restricted to the following: to advance the public benefit education in the United Kingdom, in particular but without prejudice to the work of the Academy by establishing, maintaining, carrying on and developing a School with a designated Church of England religious character offering a broad and balanced curriculum. This will be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and in having regard to the advice of the Diocesan Board of Education.

Objectives, Strategies and Activities

The Academy's main objectives are to further the life chances of the children in its care by providing the best education possible for them. The development of the whole child is vital and whilst the core curriculum is delivered to a very high standard we make sure that all needs and abilities are catered for. The development plan drawn up by the Academy highlights this and focuses on the maintenance of a broad curriculum offering, reviewing and improving standards to prepare the children for the multi-cultural world they are living in.

During the year the School has worked towards these aims by:

- English - participating in Primary Writing Project, development of SPAG teaching strategies.
- Assessment - development of the school tracking system.
- To fully implement the coding element of the computing curriculum.
- Improving pupil play time within School - working with the School council, staff and MDAs.
- Updating worship within School.

Our success in fulfilling our aims can be measured by:

- Talk for writing is now embedded throughout the School. SPAG results at KS2 were 100% expected and 55% greater than expected.
- Accuracy of teacher assessments evidenced in moderation at EYS, KS1 and KS2.
- All year groups have fully implemented age appropriate and progressive coding tasks in order to teach this new component of the curriculum; use of iPads has been refined to facilitate pupil's learning in a wide range of subjects.
- Introduced additional lunch time clubs and Year 6 Sports Leaders to provide a wider range of activities. MDA training and organisational changes to dinner hall also had a positive impact. Longer term plans are included in the next SDP to improve the grounds in terms of quality and variety of play equipment.
- Weekly themes, linked to Big Question Time, provide reflection time and quality focus on subjects including SMSC. Year 6 now plan and lead a weekly assembly for KS2. A new worship area has been created in the hall.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. The public benefit provided by the Academy has been recognised through its academic results and its contribution to the community.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

The School continued to exceed national standards in all tests. It has also carried out a wide range of extension activities such as Sports Week, World Religion Week and Friendship Week. We continue to look for opportunities to raise standards and to provide a world class education for the children in our care.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Specific achievements were as follows:

Academic achievements:

- 83% of children achieved GLD at the end of EYFS.
- 43% of children achieved greater depth in reading at the end of KS1.
- 80% of children achieved expected standard in Reading, Writing and Maths at the end of KS1.
- 20% of children achieved greater depth level at the end of KS1.
- 88% of children achieved expected standard in Reading at the end of KS2.
- 36% of children achieved greater depth in Reading at the end of KS2.
- 94% of children achieved expected standard in Writing at the end of KS2.
- 100% of children achieved expected standard in SPAG at the end of KS2.
- 55% of children achieved greater depth in SPAG at the end of KS2.

Staff turnover remains low .

Attendance is high – 96.95%.

Achievement of Gold Sports Mark Award for the first time.

Increased number and range of extra-curricular clubs both after school and at lunch times.

General feedback from Year 7 pupils has been very positive; pupils at all 5 destinations have made excellent transitions and most continue to play an active role in all aspects of School life (feedback from pupils, parents and secondary schools).

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2016 were 217.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2015/16 this was 64%. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by the Board.

The Finance and Premises Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education Funding agency (EFA). For the year ended 31 August 2016 the Trust received £851,648 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £936,801 on expenditure and transferred £10,888 to support capital new build and improvement projects on the School site. The Academy brought forward from 14/15, £422,803 restricted funds and £188,291 unrestricted funding. The carry forward for 15/16 is £422,803 restricted funding and £197,478 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £351,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £197,478. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was £620,281.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £681,857. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

Investment Policy

An Investment Policy has been approved by the Board of Trustees.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each committee and FGB meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Academy has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Academy has appointed Sarah Smith to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Plans for Future Periods

The key future plan of the Academy is to create a MAT and sponsor a local school.

The Academy is also in the process of making considerable improvements to the pupils' teaching and learning environments. These planned improvements would facilitate a more flexible approach to teaching and learning and the wider curriculum for all pupils.

Specific objectives for the forthcoming year are as follows:

- To continue to strengthen the quality of teaching across the School by embedding the School's agreed assessment system consistently and rigorously.
- To continue to review the English curriculum through continued participation in the English Project and to promote a love of reading.
- To ensure the broad and balanced curriculum inspires children to learn.
- To embed a culture of rigorous and accurate self-evaluation that involves leaders at all levels including Governors.
- To create an effective MAT.
- To improve the quality of the teaching and learning environment.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

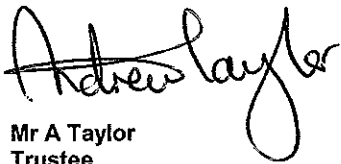
Auditor

Insofar 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 Auditors, Price Bailey LLP, are willing continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 8/12/16 and signed on the Board's behalf by:



Mr A Taylor
Trustee

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Great Chesterford Church of England 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 4 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
Mrs F Keys	0	0
Mrs S Mitchell	2	2
Mrs N Starbuck	4	4
Mr A Taylor	3	3
Mrs E Tealby-Watson	4	4
Mrs L Jeremy	4	4
Mr M Johnson	4	4
Mr J Worrall	4	4
Rev J Parsons	4	4
Mrs J Fullerty	4	4
Ms A Peters	4	4
Mr V Rust	4	4
Mrs J Menell	0	0
Mrs A Sargeant	4	4

The key changes in the composition of the Board of Trustees this year was the change in Headteacher in January 2016. The key challenges that have arisen for the Board was to ensure a smooth transition between Headteachers and that a comprehensive hand-over took place.

The Finance Group is a sub-committee of the main Board of Trustees. Its purpose is to monitor premises, financial control, planning and reporting and the work of the Responsible Officer.

The only key change to the Board was the addition of a new member, it was ensured that induction to the Board was effective. There are no particular challenges to this committee at this point.

Future challenges to this committee include; setting up a MAT and its transition; implementing new SAGE systems to manage MATs; updating the reporting system to communicate financial detail to governors; planning, managing and carrying out major building works to improve the quality of the teaching and learning environment for all pupils.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Boatman	3	3
Mrs S Mitchell	3	3
Mr V Rust	3	3
Mr A Taylor	3	3
Mrs E Tealby-Watson	3	3
Mr G Benn	2	3
Mr H Weir	3	3
Ms A Peters	1	1

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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 Academy'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 appropriate. The Accounting Officer for the Academy has delivered improved value for money in the following ways:

- i) Rigorous procedures for establishing, reviewing and evaluating the school budget, including comparisons against national good practise and benchmarking. We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:
 - Targeting resources in key subjects areas such as english and numeracy - particularly writing project
 - Monitoring the needs of particular students and ensuring that the support they receive is relevant to them - including one to one support across Key Stage 2.
 - Using resources to ensure the children are inspired to learn through a broad and balanced curriculum.
 - The effectiveness of these strategies can be seen in the continual improvement in results in Early Years, and the achievements at the end of each Key Stage in comparison to national trends. For the first time the school has achieved a Gold Sports Award and the number of extra curricular opportunities has never been so great.
- ii) A rigorous policy, ensuring value for money comparisons for purchased items. Examples include:
 - Reviewing alternative purchasing options to find the best value.
 - Discussion and work with other local schools, to know about issues with products / services before making purchases.
 - Careful consideration is always made as to whether the purchase is really necessary.
 - Collaboration with other schools to secure better value on bulk buying of common products - e.g. paper.
 - Tender process for major purchases and contracts.
- iii) Rigorous evaluations of impact on student outcomes including examination results, progress, student attendance and transitions.
- iv) Financial Governance. Our governance arrangements include regular monitoring by the Governing Body and its committees. They receive regular Headteacher reports and SDP updates, and ask relevant questions as recorded in minutes. The work of these committees is further informed by regular Responsible Officer visits and reports.
- v) Reviewing Controls and Managing Risk. Budget reports are reviewed by Finance and Premises Committee, as well as budget holders, in order to ensure that spending is within budget. Actions taken to manage risk include the purchase of an appropriate level of insurance cover. Professional advice (eg HR and legal) has also been sought as necessary.

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 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 Great Chesterford Church of England Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

As part of the process to become a MAT, the Board of Trustees and SMT skill set has been reviewed by the Department For Education. At each meeting, Trustee roles and responsibilities are carefully considered and used to signpost relevant/necessary training/support.

Trustee training has taken place in the following areas: MATs, Safeguarding, Finance in Academies and Special Needs.

THE RISK AND CONTROL FRAMEWORK

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Sarah Smith.

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

- payroll;
- banking;
- governance;
- income;
- expenditure; and
- VAT.

On a Termly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. A financial management checklist is worked through and extra tasks may be requested by the F&P Committee. In addition the DFE internal audit work programme is completed which consists of income, expenditure and payroll checks, bank reconciliation checks, reviewing Finance Committee minutes including Terms of Reference, budget review and security.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

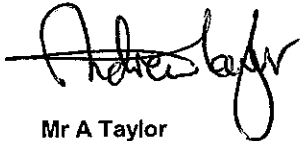
REVIEW OF EFFECTIVENESS

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

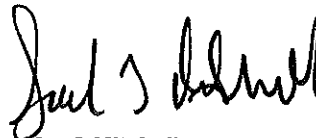
- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 8/12/16 and signed on their behalf, by:



Mr A Taylor
Trustee



Mrs S Mitchell
Accounting Officer

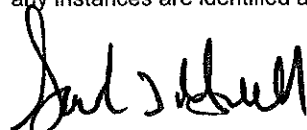
GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Great Chesterford Church of England Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education Funding Agency (EFA) 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 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.



Mrs S Mitchell
Accounting Officer

8/12/16

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who act as governors of Great Chesterford Church of England Academy Trust and are also 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 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

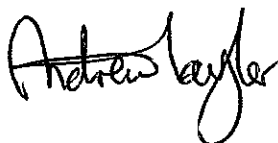
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 the Board of Trustees on 21/2/16 and signed on its behalf by:



Mr A Taylor
Trustee

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST

We have audited the financial statements of Great Chesterford Church of England Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT
CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date: 13/12/2010

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 5 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Great Chesterford Church of England Academy Trust during the year 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 Great Chesterford Church of England Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Great Chesterford Church of England Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Great Chesterford Church of England Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST'S ACCOUNTING OFFICER AND THE INDEPENDENT REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Great Chesterford Church of England Academy Trust's funding agreement with the Secretary of State for Education dated 1 October 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT
CHESTERFORD CHURCH OF ENGLAND 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 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Reporting Accountant

Price Bailey LLP

Chartered Accountants

Date: 12/12/2016

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	-	55,941	6,351	62,292	72,695
Charitable activities	3	28,501	845,297	-	873,798	864,654
Other trading activities	4	33,414	-	-	33,414	21,673
Investments		2,206	-	-	2,206	740
TOTAL INCOME		64,121	901,238	6,351	971,710	959,762
EXPENDITURE ON:						
Charitable activities		54,934	856,728	25,139	936,801	881,467
TOTAL EXPENDITURE	5	54,934	856,728	25,139	936,801	881,467
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between funds	15	9,187	44,510	(18,788)	34,909	78,295
		-	(10,888)	10,888	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		9,187	33,622	(7,900)	34,909	78,295
Actuarial gains/(losses) on defined benefit pension schemes	20	-	(161,000)	-	(161,000)	2,000
NET MOVEMENT IN FUNDS		9,187	(127,378)	(7,900)	(126,091)	80,295
RECONCILIATION OF FUNDS:						
Total funds brought forward		315,660	397,308	28,900	741,868	382,699
Prior year adjustment (Note 14)		(127,369)	-	-	(127,369)	151,505
TOTAL FUNDS CARRIED FORWARD		197,478	269,930	21,000	488,408	614,499

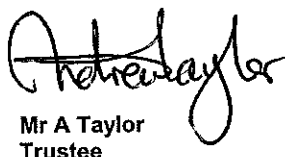
The notes on pages 22 to 36 form part of these financial statements.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07769026

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	As restated 2015 £
FIXED ASSETS					
Tangible assets	11		56,673		65,217
CURRENT ASSETS					
Debtors	12	161,414		161,602	
Cash at bank and in hand		681,857		611,218	
			843,271	772,820	
CREDITORS: amounts falling due within one year	13	(60,536)		(46,538)	
			782,735		726,282
NET CURRENT ASSETS					
			839,408		791,499
TOTAL ASSETS LESS CURRENT LIABILITIES			839,408		791,499
Defined benefit pension scheme liability	20		(351,000)		(177,000)
			488,408		614,499
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES					
			488,408		614,499
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	470,930		422,803	
Restricted funds - donation in kind	15	150,000		151,505	
Restricted fixed asset funds	15	21,000		28,900	
			641,930	603,208	
Restricted income funds excluding pension liability			641,930	603,208	
Pension reserve		(351,000)		(177,000)	
			290,930	426,208	
Total restricted income funds			290,930	426,208	
Unrestricted income funds	15		197,478	188,291	
			488,408	614,499	
TOTAL FUNDS					
			488,408	614,499	

The financial statements were approved by the Trustees, and authorised for issue, on 31/12/16 and are signed on their behalf, by:


Mr A Taylor
Trustee

The notes on pages 22 to 36 form part of these financial statements.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	As restated 2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	78,677	114,369
Cash flows from investing activities:			
Interest received		2,206	740
Purchase of tangible fixed assets		(10,244)	(12,135)
Net cash used in investing activities		(8,038)	(11,395)
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		70,639	102,974
		611,218	508,244
Cash and cash equivalents carried forward		681,857	611,218

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Great Chesterford Church of England Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Great Chesterford Church of England 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 Great Chesterford Church of England 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.

Any reconciliations to previous UK GAAP for the comparative figures are included in note 23.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

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

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 of the restricted fixed asset fund.

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.

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

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

1.4 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.

Charitable activities and Governance costs 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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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..

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

The Academy Trust occupies land and the buildings provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Academy Trust occupies the land and buildings by a license that transfers to the Academy no rights or control over the site save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised or valued within fixed assets.

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

Fixtures and fittings	-	10% straight line
Computer equipment	-	20% straight line

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

1.7 Operating leases

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

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the bank.

1.9 Taxation

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

1.10 Liabilities and provisions

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 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 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.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.11 Pensions

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

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, 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 Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2016	Restricted fixed asset funds 2016	Total funds 2016	Total funds 2015
Donations for educational visits	5,941	-	5,941	15,864
Notional rent (see note 22)	50,000	-	50,000	50,502
Capital grants	-	6,351	6,351	6,329
	<u>55,941</u>	<u>6,351</u>	<u>62,292</u>	<u>72,695</u>

In 2015, of the total income from donations and capital grants, £ NIL was to unrestricted funds and £72,695 was to restricted funds

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	As Restated Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	764,331	764,331	766,415
Other DfE / EFA grants	-	55,138	55,138	54,184
	<u>-</u>	<u>819,469</u>	<u>819,469</u>	<u>820,599</u>
Other government grants				
Local Authority grants	-	25,828	25,828	18,827
	<u>-</u>	<u>25,828</u>	<u>25,828</u>	<u>18,827</u>
Other funding				
Catering income	28,501	-	28,501	25,228
	<u>28,501</u>	<u>-</u>	<u>28,501</u>	<u>25,228</u>
	<u>28,501</u>	<u>845,297</u>	<u>873,798</u>	<u>864,654</u>

In 2015, of the total income from charitable activities, £25,228 was to unrestricted funds and £839,426 was to restricted funds.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Swimming income	3,825	3,825	3,444
Other activities	29,589	29,589	18,229
	<u>33,414</u>	<u>33,414</u>	<u>21,673</u>

In 2015, of the total income from other trading activities, £21,673 was to unrestricted funds and £ NIL was to restricted funds.

5. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Activities:					
Direct costs	538,932	-	62,963	601,895	577,086
Support costs	86,740	135,703	112,463	334,906	304,381
	<u>625,672</u>	<u>135,703</u>	<u>175,426</u>	<u>936,801</u>	<u>881,467</u>

In 2016, of the total expenditure, £52,226 (2015 - £48,032) was to unrestricted funds and £884,575 (2015 - £833,435) was to restricted funds.

6. CHARITABLE ACTIVITIES

	2016 £	As restated 2015 £
Direct costs	601,895	577,086
Support costs	334,906	304,381
	<u>936,801</u>	<u>881,467</u>

Analysis of support costs

	2016 £	As restated 2015 £
Support staff costs	86,740	77,230
Premises costs (excluding depreciation)	116,915	122,724
Governance costs	13,490	9,640
Other support costs	98,973	77,096
Depreciation	18,788	17,691
	<u>334,906</u>	<u>304,381</u>

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the Academy	18,788	17,691
Auditors' remuneration	4,000	4,000
Auditors' non audit costs	4,000	4,125
	18,788	25,816

8. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	500,084	492,668
Social security costs	28,391	25,602
Operating costs of defined benefit pension schemes	97,197	85,764
	625,672	604,034

The average number of persons employed by the Academy during the year expressed on the head count basis was as follows:

	2016	2015
	No.	No.
Teachers	13	14
Administration and support	34	32
Management	1	1
	48	47

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

	2016	2015
	No.	No.
In the band £ 60,001 - £ 70,000	0	1

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership 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 £193,758 (2015: £179,637).

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

9. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher 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:

Mr H Weir (Headteacher to 31 December 2015)
Remuneration £20,000-£25,000 (2015: £65,000-£70,000)
Employer's Pension contributions paid £0-£5,000 (2015: £5,000-£10,000)

Mrs S Mitchell (Headteacher from 1 January 2016)
Remuneration £50,000-£55,000 (2015: £35,000-£40,000)
Employer's Pension contributions paid £5,000-£10,000 (2015: £5,000-£10,000)

Mrs N Starbuck
Remuneration £10,000-£15,000 (2015: £10,000-£15,000)
Employer's Pension contributions paid £0-£5,000 (2015: £0-£5,000)

Mrs F Keys
Remuneration £0-£5,000 (2015: £0-£5,000)
Employer's Pension contributions paid £0-£5,000 (2015: £0-£5,000)

During the year ended 31 August 2016, travel and subsistence expenses totalling £1,577 (2015: £1,245) were reimbursed to three Trustees in their roles as members of staff.

Other related party transactions involving the Trustees are set out in note 22.

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 September 2015	53,907	61,500	115,407
Additions	7,730	2,514	10,244
Disposals	-	(12,500)	(12,500)
At 31 August 2016	<u>61,637</u>	<u>51,514</u>	<u>113,151</u>
Depreciation			
At 1 September 2015	18,775	31,415	50,190
Charge for the year	5,985	12,803	18,788
On disposals	-	(12,500)	(12,500)
At 31 August 2016	<u>24,760</u>	<u>31,718</u>	<u>56,478</u>
Net book value			
At 31 August 2016	<u>36,877</u>	<u>19,796</u>	<u>56,673</u>
At 31 August 2015	<u>35,132</u>	<u>30,085</u>	<u>65,217</u>

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

12. DEBTORS

	2016	2015
	£	£
Due after more than one year		
Other debtors (see note 22)	100,000	101,003
Due within one year		
VAT	4,597	4,716
Other debtors (see note 22)	51,505	50,502
Prepayments and accrued income	5,312	5,381
	161,414	161,602
	161,414	161,602

13. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	10,134	414
Other taxation and social security	9,226	8,274
Other creditors	10,008	7,426
Accruals and deferred income	31,168	30,424
	60,536	46,538
	60,536	46,538
	2016	2015
	£	£
Deferred income		
Universal free school meals income received in advance	22,178	19,374
	22,178	19,374
	22,178	19,374

14. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made following extensive discussions about the nature of the carrying values of faith school properties with the EFA. Property improvements and additions to Church owned premises offer no further rights to occupation than those conferred by the Church Supplemental Agreement and as such the value of property improvements have already been taken into account via the notional donation in kind of the right to occupy. The opening reserves at 1 September 2014 have been reduced by £127,369 to reflect this.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

15. STATEMENT OF FUNDS

	As restated B/fwd £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
Unrestricted funds	188,291	64,121	(54,934)	-	-	197,478
Restricted funds						
General Annual Grant (GAG)	422,803	764,331	(705,316)	(10,888)	-	470,930
SEN	-	5,957	(5,957)	-	-	-
Pupil premium	-	16,580	(16,580)	-	-	-
Other government grants	-	19,871	(19,871)	-	-	-
Restricted other	-	6,480	(6,480)	-	-	-
Infant FSM	-	38,019	(38,019)	-	-	-
Donation in kind (see note 22)	151,505	50,000	(51,505)	-	-	150,000
Pension reserve	(177,000)	-	(13,000)	-	(161,000)	(351,000)
	<u>397,308</u>	<u>901,238</u>	<u>(856,728)</u>	<u>(10,888)</u>	<u>(161,000)</u>	<u>269,930</u>
Restricted fixed asset funds						
Fixed asset funds	28,900	-	(18,788)	10,888	-	21,000
Devolved formula capital (DFC)	-	6,351	(6,351)	-	-	-
	<u>28,900</u>	<u>6,351</u>	<u>(25,139)</u>	<u>10,888</u>	<u>-</u>	<u>21,000</u>
Total restricted funds	<u>426,208</u>	<u>907,589</u>	<u>(881,867)</u>	<u>-</u>	<u>(161,000)</u>	<u>290,930</u>
Total of funds	<u><u>614,499</u></u>	<u><u>971,710</u></u>	<u><u>(936,801)</u></u>	<u><u>-</u></u>	<u><u>(161,000)</u></u>	<u><u>488,408</u></u>

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

Unrestricted Funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

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

Other government grants

This represents various small grants from local and national Government bodies for the provision of specific services to pupils of the Academy.

Educational visits

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

15. STATEMENT OF FUNDS (continued)

Devolved Formula Capital (DFC) Fund

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from a state controlled school.

Donation in kind

This fund represents the rent free occupation of the land and buildings from the Diocese of Chelmsford

Transfers

Transfer of funds represents the depreciation relating to unrestricted fixed assets.

SUMMARY OF FUNDS

	As restated B/fwd £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
General funds	188,291	64,121	(54,934)	-	-	197,478
Restricted funds	397,308	901,238	(856,728)	(10,888)	(161,000)	269,930
Restricted fixed asset funds	28,900	6,351	(25,139)	10,888	-	21,000
	<u>614,499</u>	<u>971,710</u>	<u>(936,801)</u>	<u>-</u>	<u>(161,000)</u>	<u>488,408</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Tangible fixed assets	35,673	-	21,000	56,673	65,217
Debtors due after more than 1 year	-	100,000	-	100,000	151,505
Current assets	161,805	581,466	-	743,271	621,315
Creditors due within one year	-	(60,536)	-	(60,536)	(46,538)
Provisions for liabilities and charges	-	(351,000)	-	(351,000)	(177,000)
	<u>197,478</u>	<u>269,930</u>	<u>21,000</u>	<u>488,408</u>	<u>614,499</u>

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2016 £	As restated 2015 £
Net income for the year (as per Statement of Financial Activities)	34,909	78,295
Adjustment for:		
Depreciation charges	18,788	17,691
Interest received	(2,206)	(740)
Decrease in debtors	188	2,174
Increase in creditors	13,998	3,949
Pension adjustments	13,000	13,000
	78,677	114,369
Net cash provided by operating activities	78,677	114,369

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	681,857	611,218
Total	681,857	611,218

19. 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.

20. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are Multi-Employer Defined Benefit Pension 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 £9,804 were payable to the schemes at 31 August 2016 (2015 - 7,064) 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.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

20. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £58,110 (2015 - £49,219).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £39,000 (2015 - £38,000), of which employer's contributions totalled £31,000 (2015 - £30,000) and employees' contributions totalled £8,000 (2015 - £8,000). The agreed contribution rates for future years are 12.3% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Expected return on scheme assets at 31 August	2.20 %	5.30 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
Inflation assumption (RPI)	3.20 %	3.60 %

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

20. PENSION COMMITMENTS (continued)

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	168,000	114,000
Bonds	19,000	25,000
Property	27,000	21,000
Cash	7,000	4,000
Alternative assets	10,000	12,000
Other managed funds	12,000	-
Total market value of assets	<u>243,000</u>	<u>176,000</u>

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	As restated 2015 £
Current service cost (net of employee contributions)	(38,000)	(36,000)
Net interest cost	(6,000)	(7,000)
Total	<u>(44,000)</u>	<u>(43,000)</u>
Actual return on scheme assets	<u>29,000</u>	<u>8,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	352,000	295,000
Current service cost	38,000	36,000
Interest cost	14,000	13,000
Contributions by employees	8,000	8,000
Change in financial assumptions	182,000	-
Closing defined benefit obligation	<u>594,000</u>	<u>352,000</u>

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

20. PENSION COMMITMENTS (continued)

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

	2016	As restated 2015
	£	£
Opening fair value of scheme assets	175,000	129,000
Interest income	8,000	6,000
Returns on investments less interest	21,000	2,000
Contributions by employer	31,000	30,000
Contributions by employees	8,000	8,000
	<u>243,000</u>	<u>175,000</u>
Closing fair value of scheme assets	<u>243,000</u>	<u>175,000</u>

21. OPERATING LEASE COMMITMENTS

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

	2016	2015
	£	£
Amounts payable:		
Within 1 year	-	752
	<u>-</u>	<u>752</u>

22. RELATED PARTY TRANSACTIONS

The Academy operates from land and buildings provided rent free by the Diocese of Chelmsford. Under an agreement between the Diocese, the Academy and the Secretary of State the Diocese would be required to give 24 months notice from the year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end. The trustees estimate that the cost of renting equivalent buildings would be £50,000 per annum, on this basis a donation from the Diocese of £50,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors is a donation in kind receivable of £150,000 representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months.

Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

No other related party transactions took place in the period of account.

23. FIRST TIME ADOPTION OF 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 1 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.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expense.