

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2015

MANOR LEARNING TRUST

(A Company Limited by Guarantee)

Smith Hodge & Baxter
Chartered Accountants
& Statutory Auditors
Thorpe House
93 Headlands
KETTERING
Northamptonshire
NN15 6BL

MANOR LEARNING TRUST

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FOR THE YEAR ENDED 31ST AUGUST 2015**

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MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2015

Members	Mrs Linda Brooks Mr Dudley Hughes Mr Lance Jones Mr Mike Busby Mr David Little Mrs Pat Worden Peterborough Diocese Church Schools Trust
Directors	Mrs Linda Brooks (Executive Principal and Accounting Officer) Mr Mike Busby Mr Gary Croxford (Resigned 29 th September 2014) Mr Dudley Hughes (Chair) Mrs Julie Johnson (Resigned 21 st November 2014) Mr Lance Jones Peterborough Diocese Church Schools Trust Rev Douglas Spenceley Mr Chris Ward (Appointed 20 th January 2015) Mrs Pat Worden
Company Secretary	Mr David Little
Senior Management Team	
Executive Principal	Mrs Linda Brooks
Vice Principal	Mr Javier Sanchez
Vice Principal	Mrs Collette Curtis
Vice Principal	Mrs Sarah Folkard
Assistant Principal	Mr Mark Brennan
Assistant Principal	Mr Matthew Hurren
Assistant Principal	Mr Glenn Martin
Director of Finance & Business	Mr David Little
Principal and Registered office	Mountbatten Way RAUNDS NN9 6PA
Registered Company number	07816548 (England and Wales)
Independent Auditor	Smith Hodge & Baxter Chartered Accountants & Statutory Auditors Thorpe House 93 Headlands Kettering NN15 6BL
Bankers	Lloyds Bank 133 High Street Rushden NN10 0QE

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

Solicitors

Tollers LLP
F4 Medina House
329 Silbury Boulevard
Milton Keynes
MK9 2AE

Wilson Browne LLP
Kettering Park South
Kettering Venture Park
Kettering
NN15 6WN

Subsidiary undertaking

Manor School Co-operative Limited

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST AUGUST 2015

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1st September 2014 to 31st August 2015. The annual report serves the purposes of both a trustees' report, and a trustees' report under company law.

In November 2013, Manor Learning Trust became a multi Academy Trust which operates a primary academy, St Peter's Church of England Academy and a secondary academy, Manor School Sports College in Raunds. Its academies have a combined pupil capacity of 876 and had a roll of 844 in the school census on 15th January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company, limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Manor Learning Trust are also the directors of the charitable company for the purposes of company law.

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

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business.

Method of recruitment and appointment or election of trustees

Trustees of the Academy Trust are nominated by either the Secretary of State for Education, The Peterborough Diocese Church Schools Trust, the Local Authority or members of the charitable company. Parent Governors are elected by parents of registered pupils at the Academies. The Executive Principal is treated as an ex officio trustee. The articles of association require no less than three trustees.

The term of office for any trustees, shall be 4 years except the Executive Principal who remains a trustee whilst in post. Trustees are eligible for re-election at the meeting at which they retire.

Policies and procedures adopted for the induction and training of trustees

During the year under review the trustees held 6 Board Meetings. The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new trustees will be given a tour of the Academies and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

The management structure consists of four levels; the members/trustees, the Executive Principal, the Senior leadership team and the Extended leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academies by the use of budgets and making major decisions about the direction of the Academies, capital expenditure and appointment of the Executive Principal and the Director of Finance and Business.

The Senior Leaders are the Executive Principal, the Vice Principals, three Assistant Principals and the Director of Finance and Business. These managers control the Academies at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group, the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

The Extended leadership team includes the Leadership team and the Heads of Faculties. These leaders are responsible for the day to day operation of the faculties within the Academies and for a whole approach.

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Connected organisations including Related Party Relationships

Manor Learning Trust owns 100% of the issued ordinary shares of Manor School Co-operative Limited, a company incorporated in England and Wales (registration no. 07877519). Further details regarding the subsidiary company are given in note 15 to the financial statements.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the Academy Trust is to provide education for pupils of different abilities between the ages of 4 and 19.

In accordance with the articles of association the Academy Trust has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academies, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on sports.

Objectives, strategies and activities

The main objectives of the Academy Trust during the year ended 31st August 2015 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

The Academy Trust's main strategy to carry out the objects is to provide education for students of all abilities in a learning environment utilising the best possible teaching facilities and staff. To this end the activities provided include:

- a wide and varied curriculum to engage all young people;
- tuition and learning opportunities for all students to attain appropriate academic and applied learning qualifications;
- training and professional development opportunities for all staff;
- secondments and work experience placements for students and staff with industrial and commercial partners;
- a Student Leadership Academy – for Sport, Music and Arts and Pastoral Mentors;
- a comprehensive programme of sporting and after school leisure activities for all students;
- a comprehensive extra- curricular programme of study support, music and the arts;
- a system of after school activities to allow students to explore science and technology in a practical and project orientated way;
- a careers advice and education programme to help students obtain employment or move onto further and higher education.

Equal Opportunities Policy

The trustees recognise that equal opportunities should be an integral part of good practice in the workplace. Manor Learning Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and need of all people are fully valued. The Academy Equalities Plan scopes out areas for action for academic year 2015-2016.

Disabled persons

Ramps to access some class rooms and all teaching blocks. Disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy Trust. The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment, by making support resources available and through training and career development.

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

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

OBJECTIVES AND ACTIVITIES (continued)

Public benefit

The trustees have regard to the Charity Commissions guidance on public benefit Section 4 of the Charities Act 2011. The trustees ensure that the Academy's activities, as described above, are undertaken in line with the charitable objects and aims. The Academy Trust follows the school admissions criteria and policies of Northamptonshire County Council to ensure that the basis for admissions is transparent and as fair as possible to all potential pupils applying to the Academy, and is comparable to other local state-funded Schools and Academies.

STRATEGIC REPORT
ACHIEVEMENTS AND PERFORMANCE

The Academy Trust challenges all students to make the best of their considerable talents and abilities. An excellent curriculum good teaching by committed staff and a culture of high aspirations ensure students of all abilities achieve well and enjoy their learning.

Headline figures reflect the changes introduced by the DfE in respect to accountability for the performance tables. Comparison from year to year is impossible due to the nature of the changes introduced. Nonetheless, our students are achieving well with both English and Mathematics A*-C grade percentages being at or above national performance outcomes. Student progress figures in English and mathematics are outstanding and very good respectively.

Work hard and play hard reflects our ethos and ensures the academy can deliver its mission statement of 'Success for all'.

Sporting Performance

The Academy Trust specialism is Sport and our sports teams and individual athletes continue to enjoy success on the sports field. This academic year has seen a comprehensive sporting fixture programme completed and many students achieving representative honours.

- ▶ Year 7 District League Champions netball
- ▶ Year 8 District League Champions netball
- ▶ Year 9 District League 3rd Place netball
- ▶ Year 10 District League Runners Up netball
- ▶ Year 11 District League Runners Up netball
- ▶ St. Peter's CE Academy – 3rd out of 12 Schools in District Sports
- ▶ St. Peter's - Year 4 Sportshall athletics Champions
- ▶ St. Peter's Joint Champions Year 5/6 football.
- ▶ Year 10 Girls – District Rounders Champions
- ▶ Year 8 Girls –Runners Up District Rounders Finals
- ▶ Brad Denny –Selected to elite training programme for Great Britain. Hoping for Rio 2016 Olympic selection
- ▶ Edward Frain – U20 County 5,000m and 10,000m Champion
- ▶ Scott Simms – Cambridge United Football Club
- ▶ Alex Pittfield – National Squad, Trampolining
- ▶ Adam Pittfield – National Squad, Lawn Bowls
- ▶ Charlie Sworder – Stock Car Racing, 4th British Championships
- ▶ Danny Draper – Peterborough United Football Club
- ▶ Kate Thorncroft – County Hockey Squad
- ▶ Tamara Dorman – East Midlands Rhythmic Gymnastics Champion
- ▶ Jasmine Heath – Royal Ballet Residential
- ▶ Daniel Henley – Karate Black Belt
- ▶ Noah Drage – Karate Black Belt, 2nd Dan
- ▶ Tom Carter – Karate
- ▶ Sam Dart – National Water Skier
- ▶ James Johnson – County Golf
- ▶ Callum Gant – County Golf
- ▶ Jolyon Maddock – County Cricket
- ▶ Georgina Jones – District Cross Country Champion/ 3rd County Championships
- ▶ Liberty Willmott Year 6 – County Badminton
- ▶ Millie Willmott Year 5 - County Badminton

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

ACHIEVEMENTS AND PERFORMANCE (continued)

- ▶ Bronze and Silver success in the Duke of Edinburgh expedition.
- ▶ In partnership with Peterborough United Football Club, Manor School Sports College operates an U19 Football Academy. This allows students to study A Levels, Btec Level 3 qualifications alongside a football development programme delivered by highly qualified UEFA A and B registered coaches. The academic results of the Year 2 scholars were very good with all achieving at least 2 A levels or equivalent and many achieving three.

Ofsted Inspection

Manor School Sports College was Inspected in May 2012. The outcomes were very positive with key findings confirming that Manor School was a good school. All five Inspection judgements achieved a Grade 2 – Good.

Key comments reflected

- the achievements of students: ‘students join the school with below average standards, especially in literacy and numeracy, and leave attaining standards that are above average’;
- the quality of teaching: ‘teaching is good, ensuring students achieve well’;
- that the behaviour and attitude of students is good: ‘students have positive attitudes to learning and behave well’;
- that student progress is good: ‘students were making good and sometimes outstanding progress’.

It was particularly pleasing for the Inspection Team to acknowledge the impact of our specialism on the curriculum across the Academy Trust; ‘some lessons make an outstanding contribution to the development of key literacy and numeracy skills, especially in sport’ Further that the broad curriculum ‘supports students’ spiritual and cultural development well, especially in sports subjects’

In February 2014 Manor School received an Ofsted Subject survey in mathematics. The outcomes were very positive with key findings confirming that the overall effectiveness of mathematics is good. Achievement in mathematics, teaching in mathematics, the curriculum in mathematics and leadership in mathematics were all judged to be good.

Manor Learning Trust sponsors St. Peter’s Church of England Academy and under our strategic leadership the Academy was removed from Special Measures within eleven months. This is an excellent achievement and the Academy goes from strength to strength with outcomes at the end of key stage 2 increasing by 19% over two years with L4+ combined at 82% in 2014 (above national outcomes). This is the Academy’s best ever set of results. Following an Ofsted Inspection in May 2015 St. Peter’s Church of England Academy is officially a good school. Results this academic year have also shown further improvement with all indicators in line, at or above national indicators.

KEY PERFORMANCE INDICATORS

The exam results in 2014 / 2015 were:

▶ 5 A*-C in GCSE and equivalent	64%
▶ 5 A* - C with E+M	52%
▶ A*-C English	70%
▶ A*-C Maths	61%
▶ A*-C Literature	80%
▶ A*-C Biology	100%
▶ A*-C Chemistry	100%
▶ A*-C Physics	100%
▶ A* - G	97.5%
▶ 5 A* - G with E+M	96%
▶ 1A* -G	100%
▶ VA	tbc
▶ APS	406.85
▶ Capped	312.15
▶ Avg score per entry	40.63 (Grade C-)

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

KEY PERFORMANCE INDICATORS (continued)

Key subject successes with A*-C outcomes in line, at or above national outcomes:

- ▶ Art - well above national
- ▶ Performing Arts – above national
- ▶ Sport –above national
- ▶ English Lit – above national
- ▶ English – above national
- ▶ Biology– above national
- ▶ Chemistry- above national
- ▶ Physics – above national
- ▶ Drama – above national
- ▶ Music – above national
- ▶ ICT – above national
- ▶ PE GCSE – at national
- ▶ Maths –in line with national
- ▶ Business – in line with national

Overall headlines:

- ▶ 5 A*-C – 64%
- ▶ 5 A*-C E+M– 52% (uplift on 2013/2014).

Post 16 Overall Headlines:

- ▶ A2/ BTEC Student performance judged as Grade 4 (Very Good through ALPS grading system)
- ▶ 89.7% achieved 3+ A levels equivalent

Post 16 subject performance: all the following subjects graded as outstanding / excellent on student outcomes (ALPS grading system)

- ▶ Business – Grade 2
- ▶ IT – Grade 2
- ▶ HSC – Grade 2
- ▶ Music – Grade 3
- ▶ Sport – Grade 2 and 3
- ▶ Three year teaching score – Grade 2
- ▶ Value added – Grade 3
- ▶ A Level performance
- ▶ Maths – Grade 3
- ▶ Further Maths – Grade 2
- ▶ German – Grade 2
- ▶ Business Studies – Grade 2
- ▶ EPQ – Grade 2
- ▶ Sociology – Grade 2

GOING CONCERN

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Financial report for the year

Most of the Academy's income is obtained from the Education Funding Agency (EFA)/Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA/DfE during the year ended 31st August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

MANOR LEARNING TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

FINANCIAL REVIEW (continued)

In addition funds are received from various activities carried out to generate funds, such as any running costs of the Academy not met by restricted grants. Any surplus is carried forward as an unrestricted fund in the balance sheet.

During the year ended 31st August 2015 total revenue expenditure was £5.540 million and total incoming funds from the DfE and other sources were £5.220 million.

At 31st August 2015 the net book value of tangible fixed assets was £12.823 million and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy held non fixed asset fund balances at 31st August 2015 of £0.887 million comprising £0.247 million of restricted general funds and £0.640 million of unrestricted funds. The restricted pension reserve is currently in deficit (£1.103 million). This deficit relates solely to the actuarial assessment of Local Government Pension Scheme and future contribution rates have been agreed to reduce this deficit.

Reserves policy

The trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the approximate level of free reserves should be equivalent of 8 weeks expenditure (or £0.5 million). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in restricted funds and amounts held as fixed assets) is £0.640 million.

Investment policy

The Academy Trust does not hold any investments other than cash at Bank and its initial £1 investment in its subsidiary undertaking, Manor School Co-operative Limited. The trustees transferred available funds to high interest deposit accounts during the year in order to maximise the returns available. The trustees did not want to commit these for long term investments/deposits due to the planned expenditure above. The total income from these investments was £6,000 reflecting the low level of returns available at present.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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

The trustees regularly review the risks faced by the Academy Trust and have completed a "Risk Map" to identify the critical areas of concern. As far as possible the trustees have put in place management controls to minimise/mitigate risks.

The trustees consider the following items are the principal risk facing the Academy Trust:

1) Long Term EFA funding

In view of the current level of Government national debt the longer term funding levels for Manor Learning Trust are still uncertain in the current environment. The Government have indicated that there will be further austerity policies in the Public Sector in the next few years.

These risks will be factored into the Manor Learning Trust 3 year Budget Forecast when they are ascertained.

MANOR LEARNING TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Risk management (continued)

2) 2015/16 Ofsted Inspection

Manor Learning Trust is due a full Ofsted inspection in 2015/16. Extensive work has taken place and is ongoing.

Ofsted criteria have changed considerably since the last inspection cycle. A revised judgement could have a negative impact on the future growth of the Trust. This is a concern as student outcomes in the Trust partner Academies are above national indicators in many areas.

PLANS FOR FUTURE PERIODS

These are the main aims of our 2015 – 2016 School Improvement Plan:

Achievement:	To accelerate the progress of all learners so that outcomes in all key indicators place us in the top 10% of similar schools in the country
Quality of Teaching:	To improve the quality of teaching to outstanding and challenge all Faculties to become a hub of excellence mirroring the performance of Sport and Creative Studies
Behaviour and Safety:	To secure attendance levels that are above the national average and eradicate external exclusions
Leadership and Management:	To have outstanding leaders at all levels in the Trust To deliver a curriculum that responds to national changes and that secures outstanding To actively engage all stakeholders in the life of the Academy To ensure the Trust is financially secure

Other key areas of focus include:

- Increase community involvement by providing an increased range of Leisure and Hospitality activities traded through Manor Co-operative.
- Continue to develop and reinforce partnership arrangements with local feeder schools. To offer a range of financial and operational support functions to enable primary colleagues to focus on teaching and learning thus improving educational attainment across our local community.

The Academy is due an Ofsted Inspection in the next 12 months. Early in the academic year detailed preparations will be put in place to ensure the Academy is able to demonstrate clearly to inspectors the progress it continues to make.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the trustees are aware

- there is no relevant information of which the charitable company's auditor is unaware; and
- the trustees have taken all the 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.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 1st December 2015 and signed on the board's behalf by:

D Hughes – Chair of trustees

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2015

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Manor Learning 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 Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Manor Learning 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

In November 2014, on the formation of Manor Learning Trust the governance and meeting structures were revised. Peterborough Diocese nominated itself as a corporation and an individual to serve as both Members and trustees.

In changing the board constitution the following meeting structure was put to the trustees and adopted:

- Trust Member Meetings
- Board of Directors Meetings
- Audit Committee Meetings

The information on governance included here supplements that described in the trustees' Report and in the Statement of trustees' Responsibilities. Manor Learning Trust members have met 6 times during the period from 1st September 2014 to 31st August 2015.

Trust Members Meetings

Attendance during the year at meetings of the Trust members was as follows:

<u>Member</u>	<u>Meetings Attended</u>	<u>Out of a Possible</u>
Mr Dudley Hughes (Chair)	6	6
Mrs Linda Brooks (Executive principal and Accounting Officer)	6	6
Mr Lance Jones	5	6
Mr Michael Busby	6	6
Mrs Pat Worden	5	6
Peterborough Diocese Church Schools Trust	6	6
Rev Douglas Spenceley	5	6

Board Meetings

The board of trustees met 7 times from 1st September 2014 to 31st August 2015

Attendance at the meetings of trustees during the year was:

<u>Trustee</u>	<u>Meetings Attended</u>	<u>Out of a Possible</u>
Mr Dudley Hughes (Chair)	7	7
Mrs Linda Brooks (Executive Principal and Accounting Officer)	7	7
Mr Lance Jones	6	7
Mr Michael Busby	7	7
Mrs Pat Worden	6	7
Mrs Julie Johnson	0	1
Peterborough Diocese Church Schools Trust	7	7
Rev Douglas Spenceley	7	7
Mr Chris Ward	2	5

MANOR LEARNING TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

Audit Committee

The Audit Committee is a sub Committee of the board of directors. The main purposes are to ensure a comprehensive audit programme is undertaken to review the Risk Map making recommendations and ensuring there is a robust system of internal controls in place. The Audit Committee make recommendations to the board of directors as set out in the Terms of Reference which is reviewed annually.

Attendance by trustees and Co optee at the meetings during the year was:

<u>Trustee/Optee</u>	<u>Meetings Attended</u>	<u>Out of a Possible</u>
Mr Lance Jones	5	5
Mr Edward Hudson	4	5
Mrs Julie Johnson	0	1
Mr Mike Busby	1	1
Mr Chris Ward	1	1

Governance review

The Board of Trustees engaged the Pilgrim Trust to carry out an independent review of governance in November 2015. The outcome of this review affirmed the effectiveness of the Board.

Review of Value for Money

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

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

- Working in collaboration with local educational establishments and partnerships has produced discount in joint procurement and enabled detailed cost comparisons with other organisations.
- Reviewing areas of operations and implementing more cost effective solutions. An example of this was the implementation of the Return to Learn centre which is an in-house pupil referral unit that has saved an estimated £25k per year.
- Providing Benchmarking reports to Board members which analyses costs between the Trust and local comparative organisations. This has evidenced that Manor Learning Trust has the lowest overall base cost within the sample.

The purpose of the system of internal control

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

Capacity to handle risk

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

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2015 (continued)

The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the board of trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However the trustees have appointed the Academy Trust's Audit Committee to carry out a programme of internal checks for the year ended 31st August 2015.

The role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis the Audit Committee reports to the board of trustees on the operation of the system of control and on the discharge of the board of trustees' financial responsibilities. During the year ended 31st August 2015 the audit committee used the quarterly checks performed by the external auditors, Smith Hodge & Baxter, to assist its reporting. There were no significant issues identified and other findings have been addressed as part of usual governing body business.

Review of effectiveness

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

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

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

Approved by order of the members of the board of trustees on 1st December 2015 and signed on its behalf by:

Mr Dudley Hughes
Chair of trustees

Mrs Linda Brooks
Accounting Officer

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31ST AUGUST 2015

As accounting officer of Manor Learning Trust I have considered my responsibility to notify the Academy Trust board of trustees and Educational Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Mrs Linda Brooks
Accounting Officer

Date: 1st December 2015

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST AUGUST 2015

The trustees (who act as governors of Manor Learning 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 published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the 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 in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in operation.

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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the EFA/Df have been applied for the purposes intended

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

Approved by order of the members of the board of trustees on 1st December 2015 and signed on its behalf by:

D Hughes – Chair of trustees

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF MANOR LEARNING TRUST
FOR THE YEAR ENDED 31ST AUGUST 2015

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

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

Respective responsibilities of trustees and auditor

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006:

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

Matters on which we are required to report by exception

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

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

Paul Tyler (Senior Statutory Auditor)
for and on behalf of Smith Hodge & Baxter
Chartered Accountants & Statutory Auditors
Thorpe House
93 Headlands
KETTERING
Northamptonshire
NN15 6BL

Date: 3rd December 2015

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO MANOR LEARNING TRUST AND THE EDUCATION FUNDING AGENCY
FOR THE YEAR ENDED 31ST AUGUST 2015**

In accordance with the terms of our engagement letter dated 5th September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Manor Learning Trust during the period 1st September 2014 to 31st August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Manor Learning Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Manor Learning Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Manor Learning Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Manor Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Manor Learning Trust's funding agreement with the Secretary of State for Education dated 28th October 2011 (as amended by the deed of variation dated 31st October 2014) and the Academies Financial Handbook, extant from 1st September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes;

- Assessment and testing of the internal audit work and reliance placed upon this work for the review of internal control procedures
- Further testing of the internal control procedures has been carried out in the following areas:
 - Sample test of delegated authority procedures
 - Enquiry and review of transactions with connected persons
 - Review of governance procedures including inspection of Trustee and relevant Board minutes
 - Sample test of procurement procedures
- Communication with the accounting officer

Conclusion

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

Reporting Accountant
Smith Hodge & Baxter
Chartered Accountants & Statutory Auditors
Thorpe House
93 Headlands
KETTERING
NN15 6BL

Date: 3rd December 2015

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2015

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted	Restricted	Restricted	Restricted	Total	Total
	Note	Funds	Pension	General	Asset	2015	2014
		£000s	Reserve	Funds	Funds	£000s	£000s
INCOMING RESOURCES							
Incoming resources from generated funds							
Voluntary income	2	50	-	10	-	60	68
Voluntary income - transfer from Local Authority on conversion	3	-	-	-	-	-	1,872
Activities for generating funds	4	-	-	428	-	428	440
Investment income		-	-	6	-	6	3
Incoming resources from charitable activities							
Funding for the Academy Trust's educational operations	5	-	-	4,698	28	4,726	5,226
Total incoming resources		50	-	5,142	28	5,220	7,609
RESOURCES EXPENDED							
Cost of generating funds							
Fundraising trading	7	-	-	379	-	379	-
Charitable activities							
Academy trust's educational operations	8	-	50	4,833	252	5,135	5,494
Governance costs	9	-	-	26	-	26	73
Total resources expended	6	-	50	5,238	252	5,540	5,567
Net (outgoing)/incoming resources before transfers		50	(50)	(96)	(224)	(320)	2,042
Gross transfers between funds		(300)	-	(39)	339	-	-
NET (EXPENDITURE)/INCOME FOR THE YEAR		(250)	(50)	(135)	115	(320)	2,042
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes		-	8	-	-	8	(501)
Net movement in funds		(250)	(42)	(135)	115	(312)	1,541
RECONCILIATION OF FUNDS							
Total Funds brought forward at 1st September 2014	19	890	(1,061)	382	12,708	12,919	11,378
Total Funds carried forward at 31st August 2015	19	640	(1,103)	247	12,823	12,607	12,919

All of the Academy Trust's activities derive from continuing operations during the above two financial periods.

The notes form part of the financial statements

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

BALANCE SHEET AS AT 31ST AUGUST 2015

	Notes	<u>2015</u> £000s	<u>2014</u> £000s
FIXED ASSETS			
Tangible assets	14	12,823	12,461
Investments	15	-	-
		<hr/>	<hr/>
		12,823	12,461
CURRENT ASSETS			
Stocks	16	4	3
Debtors	17	151	344
Cash at bank and in hand		1,019	1,553
		<hr/>	<hr/>
		1,174	1,900
LIABILITIES			
Creditors: Amounts falling due within one year	18	287	381
		<hr/>	<hr/>
NET CURRENT ASSETS		887	1,519
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS EXCLUDING PENSION LIABILITY		13,710	13,980
PENSION SCHEME LIABILITY	27	(1,103)	(1,061)
		<hr/>	<hr/>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		12,607	12,919
		<hr/> <hr/>	<hr/> <hr/>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:	19		
Fixed asset fund		12,823	12,708
General fund		247	382
Pension reserve		(1,103)	(1,061)
		<hr/>	<hr/>
Total restricted funds		11,967	12,029
Unrestricted funds:			
General fund		640	890
		<hr/>	<hr/>
Total unrestricted funds		640	890
		<hr/>	<hr/>
TOTAL FUNDS		12,607	12,919
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 17 to 35 were approved by the trustees and authorised for issue on 1st December 2015 and are signed on their behalf by:

D Hughes
Trustee

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2015

	Notes	<u>2015</u> £000s	<u>2014</u> £000s
Net cash (outflow)/inflow from operating activities	21	(145)	156
Returns on investments and servicing of finance		6	3
Capital expenditure	22	(395)	(94)
Cash transferred on conversion of St Peters Church of England School		-	88
		—	—
(Decrease)/increase in cash in the year	23	(534)	153
		====	====
Reconciliation of net cash flow to movements in net funds			
Net funds at 1st September 2014	23	1,553	1,400
		—	—
Net funds at 31st August 2015	23	1,019	1,553
		====	====

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

1. ACCOUNTING POLICIES

Basis of Preparation

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

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 cause significant doubts on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Preparation of Consolidated Financial Statements

The financial statements contain information about Manor Learning Trust as an individual charitable company and do not contain consolidated financial information as the parent of a group. In the trustees' opinion the results of the subsidiary are not material to an understanding of the Academy's financial statements as in accordance with S402(2) of Companies Act 2006 and 19(1)(a) of the Charities (Accounts and Reports) Regulations 2008.

Incoming Resources

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

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year 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 (GAG) is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Donations**

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

- **Other income**

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

- **Donated services and gifts in kind**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

1. ACCOUNTING POLICIES (continued)

Resources Expended

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

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

- **Governance costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land which is included at a value of £2.224 million (2014: £2.224 million), at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold buildings	2% of cost
Motor vehicles	20% of cost
Office and computer equipment	25% of cost

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Investments

The Academy's shareholding in the wholly owned subsidiary Manor School Co-operative Limited is included in the balance sheet at the cost of the share capital owned. There is no readily available market value and the cost of a valuation exceeds the benefit derived.

Stocks

Catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

1. ACCOUNTING POLICIES (continued)

Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education where the asset acquired or created is held for a specific purpose.

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

Restricted pension reserve funds represent the Academy's share of the assets and liabilities of the Local Government Pension Scheme.

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

2. VOLUNTARY INCOME	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
AWP Sinking fund	-	10	10	10
Gift Aid - Manor School Co-operative Limited	50	-	50	58
	<u>50</u>	<u>10</u>	<u>60</u>	<u>68</u>

3. TRANSFER OF ACADEMIES INTO THE ACADEMY TRUST

On 1st November 2013 the St Peters Church of England School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Manor Learning Trust from the Northamptonshire County Council Local Authority for £nil consideration.

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

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
Catering income	-	134	134	175
Other income	-	294	294	265
	<u>-</u>	<u>428</u>	<u>428</u>	<u>440</u>

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	4,432	4,432	4,371
Capital Grants	-	28	28	416
Other DfE/EFA grants	-	188	188	177
	<u>-</u>	<u>4,648</u>	<u>4,648</u>	<u>4,964</u>
Other Government grants				
Local authority grants	-	30	30	184
Training and Development Agency grants	-	-	-	17
Other grants	-	48	48	61
	<u>-</u>	<u>78</u>	<u>78</u>	<u>262</u>
	<u>-</u>	<u>4,726</u>	<u>4,726</u>	<u>5,226</u>

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

6. RESOURCES EXPENDED

	Staff Costs £000s	Non Pay Premises £000s	Expenditure Other Costs £000s	Totals 2015 £000s	Totals 2014 £000s
Costs of activities for generating funds Academy's educational operations:	183	-	196	379	-
Direct costs	3,399	176	596	4,171	4,200
Allocated support costs	532	353	79	964	1,294
	<u>4,114</u>	<u>529</u>	<u>871</u>	<u>5,514</u>	<u>5,494</u>
Governance costs including allocated support costs	3	-	23	26	73
	<u>4,117</u>	<u>529</u>	<u>894</u>	<u>5,540</u>	<u>5,567</u>

Net income/(expenditure) for the period includes:

	2015 £000s	2014 £000s
Fees payable to auditor - audit	10	10
- other services	2	1
Depreciation - owned assets	252	229
	<u>264</u>	<u>230</u>

7. FUNDRAISING TRADING

	Total 2015 £000s	Total 2014 £000s
Staff costs	183	-
Trips, tuition and uniform costs	105	-
Transport costs	15	-
Catering costs	76	-
	<u>379</u>	<u>-</u>

8. CHARITABLE ACTIVITIES

	Total 2015 £000s	Total 2014 £000s
Direct Costs – educational operations		
Teaching and educational support staff costs	3,399	3,252
Teacher Training College support costs	42	106
Depreciation	176	167
Educational supplies	442	557
Examination fees	78	88
Staff development	23	23
Other direct costs	11	7
	<u>4,171</u>	<u>4,200</u>
Support costs – educational operations		
Support staff costs	532	630
Depreciation	76	62
Cleaning	7	7
Recruitment and support	13	15
Energy costs	91	91
Rent and rates	55	68
Insurance	45	47
Maintenance of premises and equipment	79	173
Security and transport	-	9
Catering staff and other costs	-	112
Other support costs	66	80
	<u>964</u>	<u>1,294</u>
Total direct and support costs	<u>5,135</u>	<u>5,494</u>

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

9. GOVERNANCE COSTS

	Total 2015 £000s	Total 2014 £000s
Support staff costs	3	3
Auditors' remuneration - audit of financial statements	10	10
- other services	2	1
Legal and professional fees	11	59
	<hr/>	<hr/>
	26	73
	<hr/> <hr/>	<hr/> <hr/>

10. STAFF COSTS

a. Staff costs

Staff costs during the year were:	Total 2015 £000s	Total 2014 £000s
Wages and salaries	3,312	3,219
Social security	228	223
Operating costs of defined benefit pension schemes	543	489
	<hr/>	<hr/>
Supply staff costs	34	60
	<hr/>	<hr/>
	4,117	3,991
	<hr/> <hr/>	<hr/> <hr/>

b. Staff numbers

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

Charitable Activities	2015 No.	2014 No.
Teachers	64	60
Administration and support	54	55
Management	7	6
	<hr/>	<hr/>
	125	121
	<hr/> <hr/>	<hr/> <hr/>

c. Higher paid staff

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

	2015 No.	2014 No.
£60,000 - £70,000	2	-
£100,001 - £110,000	1	1
	<hr/>	<hr/>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31st August 2015 pension contributions for these members of staff amounted to £32,323 (2014: £14,967).

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

11. CENTRAL SERVICES

The academy trust has provided the following central services to St Peters Church of England Academy during the year:

Back office functions

- Accounting services
- Human resources
- Payroll
- ICT services
- Facilities advisory
- Catering management
- Insurance services
- Staff cover
- Health and safety audits
- Administration support

Teaching and Learning

- Principal – Leadership and management
- Science specialist teaching years 5 and 6
- MDL Specialist teaching and support years 5 and 6
- Specialist PE teaching
- Specialist Music support
- Safeguarding support

The trust charges for these services on the following basis:

- As a percentage of relevant costs based upon a number of factors including:
 - Pupil numbers
 - Staff numbers
 - Size of premises
 - Amount of ICT equipment
- The trustees review these charges as required and adjust them if factors change. The current range of charges is between 2% and 15% of the relevant cost.

The actual amounts charged during the year were as follows:

	2015
	£000
St Peters Church of England Academy	47

12. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

L Brooks (Executive Principal and trustee):

Remuneration	£105,000 - £110,000	(2014: £105,000 - £110,000)
Employer's pension contribution	£15,000 - £20,000	(2014: £10,000 - £15,000)

M Hurren (Staff trustee - resigned 17 December 2013)

Remuneration	£Nil	(2014: £10,000 - £15,000)
Employer's pension contribution	£Nil	(2014: £ 0 - £5,000)

During the years ended 31st August 2015 and 31st August 2014 no expenses were reimbursed to trustees.

Other related party transactions involving the trustees are set out in note 28.

MANOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 aggregate liability in any one period and the cost for the year ended 31st August 2015 was £2,734 (2014: £2,322). The cost of this insurance is included in the total insurance cost.

14. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £000s	Motor vehicles £000s	Office & computer equipment £000s	Total £000s
COST				
At 1st September 2014	12,933	50	49	13,032
Additions	597	17	-	614
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2015	13,530	67	49	13,646
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1st September 2014	527	21	23	571
Charge for year	226	14	12	252
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2015	753	35	35	823
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31st August 2015	<u>12,777</u>	<u>32</u>	<u>14</u>	<u>12,823</u>
At 31st August 2014	<u>12,406</u>	<u>29</u>	<u>26</u>	<u>12,461</u>

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings	£
COST		
At 31st August 2014 and 31st August 2015	1	<hr/>
NET BOOK VALUE		
At 31st August 2014 and 31st August 2015	1	<hr/> <hr/>

The Academy's investments at the balance sheet date in the share capital of companies include the following:

Manor School Co-operative Limited

Country of incorporation: England

Nature of business: hire of sports and business facilities

Class of share: % holding
 Ordinary 100

	2015 £000s	2014 £000s
Aggregate capital and reserves	6	4
Profit for the year	2	2
	<hr/> <hr/>	<hr/> <hr/>

The investment is shown in the balance sheet at cost. The trustees have not prepared group accounts as they are of the opinion that the results of the subsidiary are not material to an understanding of the Academy's financial statements in accordance with S402(2) of Companies Act 2006 and 19(1)(a) of the Charities (Accounts and Reports) Regulations 2008.

MANOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

15. FIXED ASSET INVESTMENTS (continued)

A summary of the results for the year to 31st August 2015 and the balance sheet position as at 31st August 2015 is shown below:

	2015	2014
	£000s	£ 000s
Turnover	152	140
Other income	10	20
Expenditure	110	100
	<hr/>	<hr/>
Profit on ordinary activities before Gift Aid payment	52	60
Gift Aid payment to Manor Learning Trust	50	58
	<hr/>	<hr/>
Net profit before taxation	2	2
Taxation	-	-
	<hr/>	<hr/>
Retained profit for year	2	2
	<hr/>	<hr/>
Current assets	72	82
Current liabilities	66	78
	<hr/>	<hr/>
	6	4
	<hr/>	<hr/>
Called up share capital	-	-
Profit and loss account	6	4
	<hr/>	<hr/>
Shareholder's funds	6	4
	<hr/>	<hr/>

The audit report for Manor School Co-operative Limited for the year ended 31st August 2015 is unmodified.

16. STOCKS

	2015	2014
	£000s	£000s
Catering supplies	4	3
	<hr/>	<hr/>

17. DEBTORS

	2015	2014
	£000s	£000s
Trade debtors	20	43
Amounts owed by group undertakings (Gift Aid)	50	58
Prepayments and accrued income	68	217
Other debtors	13	26
	<hr/>	<hr/>
	151	344
	<hr/>	<hr/>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£000s	£000s
Trade creditors	157	285
Taxation and social security	72	70
Accruals and deferred income	58	26
	<hr/>	<hr/>
	287	381
	<hr/>	<hr/>

MANOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

19. FUNDS

	Balance at 31st August 2014 £000s	Incoming resources £000s	Resources expended £000s	Gains, losses and Transfers £000s	Balance at 31st August 2015 £000s
Restricted general funds					
General Annual Grant (GAG)	244	4,432	(4,481)	-	195
Other DfE/EFA grants	-	188	(188)	-	-
Other restricted general funds	138	522	(569)	(39)	52
Pension Reserve	(1,061)	-	(50)	8	(1,103)
	<u>(679)</u>	<u>5,142</u>	<u>(5,288)</u>	<u>(31)</u>	<u>(856)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	247	28	-	-	275
Fixed asset fund	12,461	-	(252)	339	12,548
	<u>12,708</u>	<u>28</u>	<u>(252)</u>	<u>339</u>	<u>12,823</u>
Total restricted funds	<u>12,029</u>	<u>5,170</u>	<u>(5,540)</u>	<u>308</u>	<u>11,967</u>
Unrestricted funds					
Unrestricted funds	890	50	-	(300)	640
Total unrestricted funds	<u>890</u>	<u>50</u>	<u>-</u>	<u>(300)</u>	<u>640</u>
TOTAL FUNDS	<u><u>12,919</u></u>	<u><u>5,220</u></u>	<u><u>(5,540)</u></u>	<u><u>8</u></u>	<u><u>12,607</u></u>

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

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

During the period a transfer of £300,000 was made from unrestricted funds to restricted fixed asset funds in respect of capital expenditure in the period funded from the unrestricted reserve.

Other restricted general funds at 31st August 2015 comprise:

	£000s
Bikeability fund	32
Sports Games Organiser fund	20
	<u>52</u>

The above funds all represent funding received less specific costs relating to each activity during the year. The activities are generally government funded and are all closely associated with the educational objectives of the Academy Trust.

Restricted Fixed Asset Funds represent resources which have been applied to specific capital purposes imposed by the funder together with cash resources still to be expended.

Restricted Pension Reserve Funds represent the Academy's share of the assets and liabilities of the Local Government Pension Scheme.

MANOR LEARNING TRUST
REGISTERED NUMBER: 07816548

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

19. FUNDS (continued)

Analysis of academies by Fund Balances

Fund balances at 31 August 2015 were allocated as follows:

	Restricted £000s	Unrestricted £000s	Total £000s
Manor School Sports College	212	640	852
St Peters Church of England Academy	35	-	35
	<hr/>	<hr/>	<hr/>
Total before fixed assets and pension reserve	247	640	887
Restricted fixed asset fund			12,823
Pension reserve			(1,103)
			<hr/>
Total			12,607
			<hr/> <hr/>

Analysis of Academies by Cost

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

	Teaching & Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other Costs (excluding Depreciation) £000s	Total £000s
Manor School Sports College	3,132	594	484	524	4,734
St Peters Church of England Academy	325	66	63	100	554
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	3,457	660	547	624	5,288
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31st August 2015 are represented by:

	Unrestricted Funds £000s	Restricted Pension Reserve £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	2015 Total Funds £000s
Tangible fixed assets	-	-	-	12,823	12,823
Fixed asset investments	-	-	-	-	-
Current assets	640	-	534	-	1,174
Current liabilities	-	-	(287)	-	(287)
Pension scheme liability	-	(1,103)	-	-	(1,103)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Assets	640	(1,103)	247	12,823	12,607
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21. RECONCILIATION OF NET INCOME TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2015 £000s	2014 £000s
Net (expenditure)/income	(320)	2,042
Net assets transferred in on conversion	-	(1,872)
Depreciation	252	229
Capital grants from DfE and other capital income	(28)	(416)
Interest receivable	(6)	(3)
FRS 17 pension cost less contributions payable	48	4
FRS 17 pension finance costs	2	4
Increase in stocks	-	-
Decrease/(increase) in debtors	1	(28)
Increase/(decrease) in creditors	(94)	196
	<hr/>	<hr/>
Net cash (used in)/provided by Operating Activities	(145)	156
	<hr/> <hr/>	<hr/> <hr/>

MANOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

22. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2015	2014
	£000s	£000s
Capital grants from DfE/EFA	219	224
Purchase of tangible fixed assets	(614)	(323)
Receipts from sale of fixed assets	-	5
	<hr/>	<hr/>
Net cash (outflow) from capital expenditure and financial investment	(395)	(94)
	<hr/> <hr/>	<hr/> <hr/>

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 31st		At 31st
	August	Cash	August
	2014	Flows	2015
	£000s	£000s	£000s
Cash at bank and in hand	1,553	(534)	1,019
	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents	1,553	(534)	1,019
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

24. CAPITAL COMMITMENTS

	2015	2014
	£000s	£000s
Contracted for, but not provided in the financial statements	-	527
	<hr/>	<hr/>

25. CONTINGENT LIABILITIES

During the year of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a Government capital grant was received, the Academy is required, either to re-invest the proceeds, or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

26. MEMBERS' LIABILITY

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

27. PENSION AND SIMILAR OBLIGATIONS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £63,998 (2014: £68,180) were payable to the schemes at 31 August 2015 and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

27. PENSION AND SIMILAR OBLIGATIONS (continued)
Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by H M 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 actual 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 (pension currently in payment and the estimate cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The pension costs paid to TPS in the period amounted to £313,416 (2014: £299,708).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £235,000 (2014: £227,000) of which employer's contributions totalled £186,000 (2014: £177,000) and employees' contributions totalled £49,000 (2014: £50,000). The agreed contribution rates for future years are between 22.6% and 23.6% for employers and 5.5% to 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.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumptions

	At 31st August 2015	At 31st August 2014
Rate of increase in salaries	4.6%	4.5%
Rate of increase for pensions in payment/inflation	2.7%	2.7%
Inflation assumption (CPI)	2.6%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Commutation of pensions to lump sums		
- Pre April 2008 service	50%	50%
- Post April 2008 service	75%	75%

Sensitivity Analysis

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

Change in assumptions at year ended 31st August 2015:	Approximate % increase to Employer	Approximate monetary Liability amount £000s
0.5% decrease in Real Discount Rate	13%	445
1 year increase in member life expectancy	3%	102
0.5% increase in the Salary Increase Rate	6%	208
0.5 % increase in the Pension Increase Rate	7%	223

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

	At 31st August 2015	At 31st August 2014
<i>Current Pensioners</i>		
Males	22.3	22.3
Females	24.3	24.3
<i>Future Pensioners</i>		
Males	24.0	24.0
Females	26.6	26.6

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

	Expected return at 31st August 2015	Fair value at 31st August 2015 £000s	Expected return at 31st August 2014	Fair value at 31st August 2014 £000s
Equities	3.8%	1,618	6.4%	1,454
Bonds	3.8%	439	2.9%	389
Property	3.8%	208	4.5%	143
Cash	3.8%	46	3.3%	61
Total market value of assets		2,311		2,047
Present value of scheme liabilities				
- Funded		(3,414)		(3,108)
(Deficit) in the scheme		(1,103)		(1,061)

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

Expected rate of returns

The expected returns shown in this report have been calculated using 5,000 simulations of Hyman Robertson Asset Model (HRAM), calibrated using market data as at a recent date.

Please note that whilst the returns shown are “expected”, this identifies the level at which 50% of all possible outcomes will be above and 50% will be below - this does not mean that the return quoted is in any way the “most likely” outcome.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the yields applicable at the accounting date on suitable bond indices have been used.

The actual return on scheme assets was £71,000 (2014: £199,000).

Amounts recognised in the statement of financial activities	2015 £000s	2014 £000s
Current service cost (net of employee contributions)	234	181
Past service cost	-	(31)
	<hr/>	<hr/>
Total operating charge	234	150
	<hr/>	<hr/>
	2015 £000s	2014 £000s
Analysis of pension finance (income)/costs		
Expected return on pension scheme assets	(117)	(97)
Interest on pension liabilities	119	101
	<hr/>	<hr/>
Pension finance (income)/costs	2	4
	<hr/>	<hr/>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £534,000 loss (2014: £526,000 loss).

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

	2015 £000s	2014 £000s
At 1st September	3,108	1,980
Transferred on conversion	-	148
Current service cost	234	181
Interest cost	119	101
Employee contributions	49	50
Actuarial (gain)/loss	(54)	679
Benefits paid	(42)	-
Past service cost	-	(31)
	<hr/>	<hr/>
At 31st August	3,414	3,108
	<hr/>	<hr/>

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

	2015 £000s	2014 £000s
At 1st September	2,047	1,525
Transferred on conversion	-	51
Expected return on assets	117	97
Actuarial (loss)/gain	(46)	178
Employer contributions	186	177
Employee contributions	49	50
Benefits paid	(42)	(31)
	<hr/>	<hr/>
At 31st August	2,311	2,047
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

The estimated value of employer contributions for the year ending 31st August 2016 is £185,000.

The history of experience adjustments is as follows:

	2015	2014	2013	2012
	£000s	£000s	£000s	£000s
Present value of defined benefit obligations	(3,414)	(3,108)	(1,980)	(1,655)
Fair value of share of Scheme assets	2,311	2,047	1,525	1,155
	<u>(1,103)</u>	<u>(1,061)</u>	<u>(455)</u>	<u>(500)</u>
(Deficit) in the Scheme	<u>(1,103)</u>	<u>(1,061)</u>	<u>(455)</u>	<u>(500)</u>
Experience adjustments on share of Scheme assets	(46)	178	104	48
Experience adjustments on Scheme liabilities	4	(142)	-	-
	<u>(42)</u>	<u>136)</u>	<u>104)</u>	<u>48)</u>

28. RELATED PARTY TRANSACTIONS

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 transactions will take place with organisations in which a member of the board of trustees 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 procurement procedures.

The following transactions were carried out with the Academy's wholly owned subsidiary, Manor School Co-operative Limited:

- a) The Academy recharged staff costs and other expenses totalling £78,259 (2014: £75,615) to the subsidiary.
- b) The subsidiary recharged £292 (2014: £83) to the academy and contributed £10,000 (2014: £10,000) toward the maintenance of the All Weather Pitch.
- c) The subsidiary agreed to gift aid £50,000 (2014: £58,000) to the academy.
- d) At 31st August 2015 trade debtors included £14,555 (2014: £12,279) due from the subsidiary.
- e) At 31st August 2015 other debtors included £50,000 (2014: £58,000) due from the subsidiary.
- f) At 31st August 2015 trade creditors included £54 (2014: £99) due to the subsidiary.

29. ULTIMATE CONTROLLING PARTY

The Academy is under the control of the trustees.