

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2016

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 31 AUGUST 2016

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MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016

Members	Mrs Linda Brooks Mr Dudley Hughes Mr Lance Jones Mr Mike Busby Mr David Little Mrs Pat Worden Rev Douglas Spenceley Peterborough Diocese Church Schools Trust
Directors	Mrs Linda Brooks (Executive Principal and Accounting Officer) Mr Mike Busby Mr Dudley Hughes (Chair of Trustees) Mr Lance Jones Peterborough Diocese Church Schools Trust Rev Douglas Spenceley Mr Chris Ward 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
Head Teacher (Stanwick Primary)	Mrs Rani Singh
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
Company Registration number	07816548 (England and Wales)
Independent Auditor	Smith Hodge & Baxter Chartered Accountants & Statutory Auditors Thorpe House 93 Headlands Kettering NN15 6BL
Bankers	Lloyds Bank 48 Market Street Wellingborough Northamptonshire NN8 1AG

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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 Sports and Leisure Limited (formerly Manor School Co-operative Limited)

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 AUGUST 2016**

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

In August 2016 Stanwick Primary school joined Manor Learning Trust creating an extended multi-academy trust which additionally included a junior 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 1,284 and had a roll of 1,210 in the school census on 15 January 2016.

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 7 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, Board of Directors, the Executive Principal and the Senior Management 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 Management team consists of the Executive Principal, the Vice Principals, three Assistant Principals, the Head Teacher of Stanwick Primary School 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 Management team are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

Salaries for all key management are approved by the Board of Directors pay review arrangements as set out in the pay policy. The pay increase to key management follows National Agreements in line with Department of Education guidance.

Related parties and other connected charities and organisations

Manor Learning Trust owns 100% of the issued ordinary shares of Manor Sports and Leisure Limited, a company incorporated in England and Wales (registration no. 07877519). Further details regarding the subsidiary company are given in note 14 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 Governance" 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 31 August 2016 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 2015-2018.

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

OBJECTIVES AND ACTIVITIES (continued)

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.

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. In this academic year Manor School Sports College is the 'Secondary School of the Year' in Northamptonshire and has been recognized with a National Award from the Youth Sports Trust for Secondary School of the Year for 'Outstanding Sports Provision'

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 broadly in line with national performance outcomes. Student progress in English is outstanding and in mathematics better than expected progress is improving.

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

Ofsted Inspection 2016

Manor School Sports College was inspected in June 2016 through the new Section 8 Inspection schedule. The outcomes were very positive with key findings confirming that Manor School remains a good school.

Key comments confirmed:

- The leadership team has maintained the good quality of education in the school since the last Inspection;
- There are high expectations of both staff and students;
- Students achieve well at this school;
- It was safe to be different at this school;
- All staff take their safeguarding responsibilities seriously;
- Governors offer appropriate support and challenge;
- The gaps between the achievement of disadvantaged students and of their peers nationally in English and mathematics continued to close rapidly last year;
- Standards in Sixth Form are much improved.

It was particularly pleasing for the Inspection Team to acknowledge the inclusive culture that has been created throughout the school. Ofsted commented 'that it encourages students to celebrate their differences and to support each other in their learning and their wider development' and 'almost all students who met with Inspectors agreed that it was safe to be different at the school'

In February 2015 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.

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

ACHIEVEMENTS AND PERFORMANCE (continued)

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. The Academy goes from strength to strength with outcomes at the end of key stage 2 increasing year on year. Following an Ofsted Inspection in May 2016 St. Peter's Church of England Academy is officially a good school. Results this academic year have shown further improvement with all indicators in line, at or above national indicators. The average scaled score for Reading is 101, for grammar, punctuation and spelling is 103 and for maths is 102.

KEY PERFORMANCE INDICATORS: MANOR SCHOOL SPORTS COLLEGE
GCSE Exam Results 2015 / 2016:

▶ A* - C with E+M	55.4%
▶ EBACC	28%
▶ A*-C English Language	93.2%
▶ A*-C English	51.4%
▶ A*-C English combined	71%
▶ A*-C English Literature	89%
▶ A*-C Maths	61%
▶ A*/A Additional Maths	100%
▶ A*-C Biology	85%
▶ A*-C Chemistry	85%
▶ A*-C Physics	82%
▶ Resistant Materials	62.5%
▶ Music	75%
▶ Drama	82%
▶ A*-C PE	97%
▶ PE BTEC/ Dance	100%
▶ 5 A* - G with E+M	96%
▶ 1A* -G	99.2%
▶ Progress 8	tbc when national data is confirmed
▶ Attainment 8	tbc when national data is confirmed
▶ Individual student performance: Imogen Johnson 10 A*grades, 2 A grades and Distinction * grade; Tom Carter 2 A* grades, 6 A grades and 3 B grades; Daniel Henley 1 A* grade, 8 A grades and 1 B grade; Noah Drage 3 A* grades, 4 A grades, 2 B grades and 1 C grade; James Johnson 5 A grades and 5 B grades; Courtney Castle-Palmer 7 A grades and 4 B grades; Owain Derbyshire 2 A* grades, 4 A grades and 5 B grades; Phoebe May 2 A* grades, 4 A grades, 5 B grades; Aimee Little 1 A* grade, 6 A grades and 3 B grades; Abbie Phillips 6 A grades and 5 B grades; Jessica Travers 3 A* grades, 3 A grades, 5 B grades and 2 C grades.	

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

ACHIEVEMENTS AND PERFORMANCE (continued)

KEY PERFORMANCE INDICATORS

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

- ▶ English Language – well above national
- ▶ English Lit – above national
- ▶ English combined – above national
- ▶ Biology – in line national
- ▶ Chemistry- in line national
- ▶ Physics – in line national
- ▶ Core Science – in line national
- ▶ Drama – above national
- ▶ Music – in line national
- ▶ ICT – above national
- ▶ Performing Arts – above national
- ▶ Sport – above national
- ▶ PE GCSE – well above national
- ▶ Maths – in line with national
- ▶ Resistant Materials – above national

GCSE Overall headlines:

- ▶ A*-C E+M– 55.4% (uplift on 2014/2015).
- ▶ EBACC – 28% (uplift on 2014 / 2015)

Post 16 Overall Headlines:

- ▶ BTEC Three Year Teaching Score judged as Grade 4 (Very Good through ALPS national grading system)
- ▶ A2 Percentage Outcomes:

Overall 1+ A*- C (or equivalent) 80.0

Overall 2+ A*- C (or equivalent) 60.0

Overall 3+ A*- C (or equivalent) 30.9

Overall 1+ A*- E (or equivalent) 98.2

Overall 2+ A*- E (or equivalent) 98.2

Overall 3+ A*- E (or equivalent) 85.5

Post 16 subject performance: the following subjects were graded as outstanding (1/2)/ excellent (3)/ very good (4) / satisfactory to good on student outcomes (5) (ALPS grading system)

- ▶ Physics – Grade 1
- ▶ EPQ – Grade 2
- ▶ HSC – Grade 3
- ▶ PE – Grade 3
- ▶ German – Grade 3
- ▶ Biology – Grade 4
- ▶ Business Studies – Grade 4
- ▶ Mathematics – Grade 4
- ▶ Further Mathematics – Grade 4
- ▶ Media Studies – Grade 4
- ▶ Spanish – Grade 4
- ▶ History – Grade 5
- ▶ Sociology – Grade 5
- ▶ Individual student performance Craig Shackleton A*, A*, A*, A, A. Jack Barrable A*, A, A. Cameron Smith A, A, B, B. Georgia Paton A, A, B, C. Alec Morgan A, B, B, B. Coby Thompson-Knight B, B, B, B. Louis Paul D*, D*, D (BTEC Level 3). April Coleman D*, D*, D*, D (BTEC Level 3)

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

ACHIEVEMENTS AND PERFORMANCE (continued)

KEY PERFORMANCE INDICATORS: ST. PETER'S CE ACADEMY

Reading, writing, mathematics attainment

▶ % of pupils achieving at expected standard	56%
▶ % of pupils achieving a high score	5%
▶ Average scaled score in reading	101
▶ Average scaled score in Grammar, Punctuation and Spelling	103
▶ Average scaled score in mathematics	102

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 a comprehensive sporting fixture programme has been completed with many students achieving representative honours.

- ▶ Year 7 Netball District League Winners and District Final Champions
- ▶ Year 8 Netball District League Winners and District Final Champions
- ▶ Year 9 Netball District League Winners and District Final Champions
- ▶ Year 10 Netball District League Runners - Up and District Final Runners - Up
- ▶ Year 11 Netball District League Winners and District Final Champions
- ▶ Year 9 County Champions netball
- ▶ St. Peter's Tag Rugby World Cup Festival – Runners-Up
- ▶ St. Peter's District Champions – Year 5/6 Open Football
- ▶ Scott Simms – Cambridge United Football Club
- ▶ Alex Pittfield – National Squad, Trampolining
- ▶ Adam Pittfield – National Squad, Lawn Bowls
- ▶ Charlie Sworder – Stock Car Racing, Runner Up British Championships
- ▶ Shayna Dornan - East Midlands Rhythmic Gymnastics
- ▶ Callum Gant – Northants U18 County Golf
- ▶ Liberty Willmott County Badminton
- ▶ Millie Willmott County Badminton
- ▶ Joe Cornelius – Badminton
- ▶ Sachin Thethy – Swimming and Athletics
- ▶ Claudia Croxford – County Cricket
- ▶ Evie Elliott – County Table Tennis
- ▶ Josh Sanders – Freestyle Football
- ▶ Harris Nwosu – England and Northants U14's Basketball
- ▶ Megan Brakewell - County Football
- ▶ Kaelan Cosson - County Rugby and Cricket
- ▶ Alex Truslow - County Running
- ▶ Gracie Rideout - Swimming
- ▶ Kendall Marks - County Rugby
- ▶ Ethan Chambers - County Rugby
- ▶ Alex Ratcliffe - Dance

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

ACHIEVEMENTS AND PERFORMANCE (continued)

- ▶ Manor Learning Trust awarded status of Duke of Edinburgh Licensed Centre
- ▶ 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.

GOING CONCERN

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

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 31 August 2016 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 Accounting and Reporting by Charities: Statement of Recommended Practice, 'Accounting Activities by Charities' (SORP 2015), 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.

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 31 August 2016 total revenue expenditure was £6.068 million and total incoming funds from the DfE and other sources were £7.013 million.

At 31 August 2016 the net book value of tangible fixed assets was £14.335 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 31 August 2016 of £0.655 million comprising £0.1 million of restricted general funds and £0.555 million of unrestricted funds. The restricted pension reserve is currently in deficit £2.326. 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 £0.555 million which is above the determined level by £1.55 million. Additionally this will help to sustain future growth.

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 Sports and Leisure 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 £2,000 reflecting the low level of returns available at present.

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

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 risks 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.

2 Growth Strategy

Manor Learning Trust have adopted a long term growth strategy to achieve this there must be adequate capacity on place to allow for this expansion which could provide a strain on resources.

PLANS FOR FUTURE PERIODS

These are the main aims of our 2016 – 2017 School Improvement Plan:

Leadership and Management:	To have outstanding leaders and governance at all levels in the Trust To actively engage all stakeholders in the life of the Academy To plan for growth both in capital development and student numbers To deliver a curriculum that responds to national changes and that secures outstanding outcomes To ensure the Trust is financially secure
Quality of teaching, learning and assessment:	To ensure the quality of teaching is consistently good or better To ensure assessment practice responds to 'life without levels'
Personal Development and Well Being:	To develop further the positive ethos that inspires all students to be aspirant learners, high achievers and global citizens To secure attendance levels that are above the national average and eradicate external exclusions
Outcomes:	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 To ensure assessment processes impact upon student progress and attainment

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

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

PLANS FOR FUTURE PERIODS (continued)

Other key areas of focus include:

- Increase community involvement by providing an increased range of Leisure and Hospitality activities traded through Manor Sports and Leisure Limited.
- 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.

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 6 December 2016 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 31 AUGUST 2016

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 2015, 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 3 times during the period from 1 September 2015 to 31 August 2016.

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)	3	3
Mrs Linda Brooks (Executive principal and Accounting Officer)	3	3
Mr Lance Jones	3	3
Mr Michael Busby	2	3
Mrs Pat Worden	3	3
Peterborough Diocese Church Schools Trust	2	3
Rev Douglas Spenceley	3	3

Board Meetings

The board of Trustees met 7 times from 1 September 2015 to 31 August 2016

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	4	7
Mr Michael Busby	6	7
Mrs Pat Worden	6	7
Peterborough Diocese Church Schools Trust	7	7
Rev Douglas Spenceley	7	7
Mr Chris Ward	4	7

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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 makes 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	3	3
Mr Edward Hudson	2	3
Mr Chris Ward	3	3

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 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. All major expenditure items were analysed during the year to ensure that value for money was being obtained.
- 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 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the 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 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.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016 (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 31 August 2016.

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 31 August 2016 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 6 December 2016 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 31 AUGUST 2016**

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 2015.

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 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 Linda Brooks
Accounting Officer

Date: 6 December 2016

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

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

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 and the Academies Accounts Directions 2015 to 2016;
- make judgements 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;
- 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/DfE have been applied for the purposes intended

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

Approved by order of the members of the board of Trustees on 6 December 2016 and signed on its behalf by:

D Hughes – Chair of Trustees

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF MANOR LEARNING TRUST
FOR THE YEAR ENDED 31 AUGUST 2016**

We have audited the financial statements of Manor Learning Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "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 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 16, 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 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 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: 8 December 2016

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO MANOR LEARNING TRUST AND THE EDUCATION FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2016**

In accordance with the terms of our engagement letter dated 5 September 2016 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 Manor Learning Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 28 October 2011 (as amended by the deed of variation dated 31 October 2015) and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

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

Date: 8 December 2016

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2016

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

		Unrestricted	Restricted	Restricted	Restricted	Total	Total
	Note	Funds	Pension	General	Asset	2016	2015
		£000s	Reserve	Funds	Funds	£000s	£000s
INCOME AND ENDOWMENTS FROM:							
Donations and capital grants	2	52	-	111	146	309	88
Transfer from local authority on conversion	3	-	(265)	10	1,566	1,311	-
Charitable activities:							
Funding for the Academy Trust's educational operations	4	-	-	5,266	-	5,266	4,953
Other trading activities	5	-	-	125	-	125	173
Investments	6	-	-	2	-	2	6
Total		<u>52</u>	<u>(265)</u>	<u>5,514</u>	<u>1,712</u>	<u>7,013</u>	<u>5,220</u>
EXPENDITURE ON:							
Raising funds	7	-	-	57	-	57	124
Charitable activities:							
Academy Trust's educational operations	8	-	83	5,620	308	6,011	5,454
Total	7	<u>-</u>	<u>83</u>	<u>5,677</u>	<u>308</u>	<u>6,068</u>	<u>5,578</u>
Net income/(expenditure)		52	(348)	(163)	1,404	945	(358)
Transfers between funds		(137)	-	16	121	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		(85)	(348)	(147)	1,525	945	(358)
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes		-	(875)	-	-	(875)	46
Net movement in funds		(85)	(1,223)	(147)	1,525	70	(312)
RECONCILIATION OF FUNDS							
Total Funds brought forward		<u>640</u>	<u>(1,103)</u>	<u>247</u>	<u>12,823</u>	<u>12,607</u>	<u>12,919</u>
Total Funds carried forward	18	<u><u>555</u></u>	<u><u>(2,326)</u></u>	<u><u>100</u></u>	<u><u>14,348</u></u>	<u><u>12,677</u></u>	<u><u>12,607</u></u>

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 31 AUGUST 2016

	Notes	2016 £000s	2015 £000s
FIXED ASSETS			
Tangible assets	13	14,335	12,823
Investments	14	-	-
		<hr/>	<hr/>
		14,335	12,823
CURRENT ASSETS			
Stocks	15	4	4
Debtors	16	274	151
Cash at bank and in hand		906	1,019
		<hr/>	<hr/>
		1,184	1,174
LIABILITIES			
Creditors: Amounts falling due within one year	17	516	287
		<hr/>	<hr/>
NET CURRENT ASSETS		668	887
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS EXCLUDING PENSION LIABILITY		15,003	13,710
DEFINED BENEFIT PENSION SCHEME LIABILITY	28	(2,326)	(1,103)
		<hr/>	<hr/>
TOTAL NET ASSETS		12,677	12,607
		<hr/> <hr/>	<hr/> <hr/>
FUNDS OF THE ACADEMY TRUST	18		
Restricted funds:			
Fixed asset fund		14,348	12,823
Restricted income fund		100	247
Pension reserve		(2,326)	(1,103)
		<hr/>	<hr/>
Total restricted funds		12,122	11,967
Unrestricted income funds		555	640
		<hr/>	<hr/>
TOTAL FUNDS		12,677	12,607
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 19 to 40 were approved by the Trustees and authorised for issue on 6 December 2016 and are signed on their behalf by:

D Hughes
Trustee

The notes form part of these financial statements

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £000s	2015 £000s
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	22	(7)	(145)
Cash flows from investing activities	23	(106)	(389)
Cash transferred on conversion of Stanwick Primary School	3	-	-
		—	—
Change in cash and cash equivalents in the reporting period		(113)	(534)
Cash and cash equivalents at 1 September 2015		1,019	1,553
		—	—
Cash and cash equivalents at 31 August 2016	24	906	1,019
		=====	=====

The notes form part of these financial statements

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

1. STATEMENT OF ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by the EFA, the Charities Act 2011 and the Companies Act 2006.

Manor Learning Trust meets the definition of a public benefit entity under FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Manor Learning 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 FRS 102). The financial statements of Manor Learning 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.

Reconciliations to previous UK GAAP for the comparative figures are included in note 30.

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 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 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.

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.

Income

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

• **Grants**

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

1. STATEMENT OF ACCOUNTING POLICIES (continued)

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

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

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

On 28 July 2016 the Academy Trust entered into a 125 year lease with Northamptonshire County Council for the Stanwick Primary School land and buildings. The rental charge under this lease is a peppercorn. Substantially all the risks and rewards incidental to ownership are assumed by the Academy Trust and therefore the lease is treated as a finance lease and the asset capitalised and depreciated in accordance with the accounting policy below. This asset has been introduced into the accounts at fair value in accordance with a professional valuation undertaken by an independent third party.

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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

In accordance with the accounting treatment set out by the Academies Accounts Direction the land and buildings associated with St Peter's Church of England Academy have been included as an asset in the financial statements, based on a full market value at the date of conversion.

The academy trust has a legal agreement for the use of the land and buildings under a church supplemental agreement. This is a rolling agreement with a minimum two years written notice period for termination, no such notice has been given at the date of signing the accounts.

Depreciation is provided on all tangible fixed assets other than freehold land which is included at a value of £2.224 million (2015: £2.224 million), at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Freehold buildings	2% of cost
Leasehold buildings	2% of cost
Motor vehicles	20% of cost
Office and computer equipment	25% of cost
Property improvements	10% of cost
Fixtures and fittings	10% 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.

Liabilities

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

Provisions

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

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

Leased assets

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

Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of changes in value.

Investments

The Academy's shareholding in the wholly owned subsidiary, Manor Sports and Leisure Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method.

Taxation

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

Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 27, the TPS is a multi-employer scheme and there is insufficient information to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other 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 funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

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

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 amount of assets and liabilities within the next financial year are discussed below.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

1. STATEMENT OF ACCOUNTING POLICIES (continued)

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 27, 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.

Comparative information

Due to the adoption of the Statement of Recommended Practice (SORP): 'Accounting and Reporting by Charities' (FRS 102) and the presentational changes required by the Academies Accounts Direction 2015 to 2016, some of the comparative information for the year ended 31 August 2015 has been amended accordingly; however, except as disclosed in note 30, the total income, expenditure and movement in funds for the year ended 31 August 2015 remain unchanged.

2. DONATIONS AND CAPITAL GRANTS	Unrestricted Funds £000s	Restricted Funds £000s	Total 2016 £000s	Total 2015 £000s
Capital Grants	-	146	146	28
AWP Sinking fund	-	10	10	10
Gift Aid - Manor Sports and Leisure Ltd	51	-	51	50
Other donations	1	101	102	-
	<u>52</u>	<u>257</u>	<u>309</u>	<u>88</u>

The income from donations and capital grants was £309,000 (2015: £88,000) of which £52,000 was unrestricted (2015: £50,000), £111,000 was restricted (2015: £10,000) and £146,000 was restricted fixed assets (2015: £28,000).

3. TRANSFER OF ACADEMIES INTO THE ACADEMY TRUST

On 1 August 2016 Stanwick Primary 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 has been accounted for as a combination that is in substance a gift. 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 gain in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

	Unrestricted Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total £000s
Tangible fixed assets				
Leasehold land and buildings	-	-	1,566	1,566
Budget surplus/(deficit) on LA funds	-	10	-	10
LGPS pension surplus/(deficit)	-	(265)	-	(265)
	<u>-</u>	<u>(255)</u>	<u>1,566</u>	<u>1,311</u>

The above net assets include £10,000 that was transferred as cash.

The leasehold land and buildings have been acquired on a 125 year lease period.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2016 £000s	Total 2015 £000s
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	4,599	4,599	4,432
Other DfE/EFA grants	-	216	216	188
	<hr/>	<hr/>	<hr/>	<hr/>
	-	4,815	4,815	4,620
Other Government grants				
Local authority grants	-	63	63	30
Other grants	-	75	75	48
	<hr/>	<hr/>	<hr/>	<hr/>
	-	138	138	78
Other income from the Academy Trust's educational operations	-	313	313	255
	<hr/>	<hr/>	<hr/>	<hr/>
	-	5,266	5,266	4,953
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The income from funding for the Academy Trust's educational operations was £5,266,000 (2015: £4,953,000) of which £Nil was unrestricted (2015: £Nil) and £5,266,000 was restricted (2015: £4,953,000).

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2016 £000s	Total 2015 £000s
Other income	-	125	125	173
	<hr/>	<hr/>	<hr/>	<hr/>
	-	125	125	173
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The income from other trading activities was £125,000 (2015: £173,000) of which £Nil was unrestricted (2015: £Nil) and £125,000 was restricted (2015: £173,000).

6. INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2016 £000s	Total 2015 £000s
Short term deposits	-	2	2	6
	<hr/>	<hr/>	<hr/>	<hr/>
	-	2	2	6
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Investment income was £2,000 (2015: £6,000) of which £Nil was unrestricted (2015: £Nil) and £2,000 was restricted (2015: £6,000).

MANOR LEARNING TRUST - REGISTERED NUMBER: 07816548

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

7. EXPENDITURE

	Staff Costs £000s	Non Pay Premises £000s	Expenditure Other Costs £000s	Totals 2016 £000s	Totals 2015 £000s
Expenditure on raising funds	57	-	-	57	124
Academy's educational operations:					
Direct costs	3,880	218	843	4,941	4,426
Allocated support costs	614	280	176	1,070	1,028
	<u>4,551</u>	<u>498</u>	<u>1,019</u>	<u>6,068</u>	<u>5,578</u>

Expenditure was £6,068,000 (2015: £5,578,000) of which £4,551,000 was staff costs (2015: £4,155,000), £498,000 was premises (2015: £529,000) and £1,019,000 other costs (2015: £894,000).

Net income/(expenditure) for the period includes:

	2016 £000s	2015 £000s
Operating lease rentals	10	7
Fees payable to auditor - audit	10	10
- other services	2	2
Depreciation	308	252

8. CHARITABLE ACTIVITIES

	Total 2016 £000s	Total 2015 £000s
Direct costs – educational operations	4,941	4,426
Support costs - educational operations	1,070	1,028
	<u>6,011</u>	<u>5,454</u>

Expenditure on charitable activities was £6,011,000 (2015: £5,454,000) of which £nil was unrestricted (2015: £nil), £83,000 was restricted pension (2015: £88,000) £5,620,000 restricted general (£5,114,000) and £308,000 restricted fixed assets (2015: £252,000).

	Total 2016 £000s	Total 2015 £000s
Analysis of support costs		
Support staff costs	611	570
Depreciation	90	76
Premises costs	180	198
Recruitment and support	15	13
Maintenance of premises and equipment	54	79
Governance Costs	39	26
Other support costs	81	66
	<u>1,070</u>	<u>1,028</u>

All of the Academy Trust's expenditure on charitable activities for both the current and previous periods was for its educational operations.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF COSTS

a. Staff costs

	Total 2016 £000s	Total 2015 £000s
Staff costs during the year were:		
Wages and salaries	3,585	3,312
Social security	281	228
Operating costs of defined benefit pension schemes	681	581
	<u>4,547</u>	<u>4,121</u>
Supply staff costs	4	34
	<u>4,551</u>	<u>4,155</u>

b. Staff numbers

The average number of persons employed by the Academy Trust during the period was as follows:

	2016 No.	2015 No.
Teachers	82	74
Administration and support	99	82
Management	7	7
	<u>188</u>	<u>163</u>

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

	2016 No.	2015 No.
Teachers	68	64
Administration and support	53	54
Management	7	7
	<u>128</u>	<u>125</u>

c. Higher paid staff

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

	2016 No.	2015 No.
£60,000 - £70,000	2	2
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £553,000 (2015: £538,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

10. CENTRAL SERVICES

The Academy Trust has provided the following central services to St Peters Church of England Academy and Stanwick Primary School 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:

	2016	2016
	£000s	£000s
St Peters Church of England Academy	47	47
Stanwick Primary School	1	-
	<hr/>	<hr/>
	48	47
	<hr/> <hr/>	<hr/> <hr/>

11. 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.

L Brooks (Executive Principal and trustee):

Remuneration	£105,000 - £110,000	(2015: £105,000 - £110,000)
Employer's pension contribution	£15,000 - £20,000	(2015: £15,000 - £20,000)

During the years ended 31 August 2016 and 31 August 2015 no expenses were reimbursed to Trustees.

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

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

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 for any one claim and in the aggregate in any one period and the cost for the period ended 31 August 2016 was £3,345 (2015: £2,734). The cost of this insurance is included in the total insurance cost.

13. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £000s	Leasehold Land & Building £000s	Property improve- ments £000s	Motor vehicles £000s	Fixtures and fittings £000s	Office & computer equipment £000s	Total £000s
COST							
At 1 September 2015	13,530	-	-	67	-	49	13,646
Transfer	(1,881)	1,881	-	-	-	-	-
Transfer on conversion	-	1,566	-	-	-	-	1,566
Additions	-	-	207	-	47	-	254
Disposals	-	-	-	(10)	-	-	(10)
At 31 August 2016	11,649	3,447	207	57	47	49	15,456
DEPRECIATION							
At 1 September 2015	753	-	-	35	-	35	823
Transfer	(76)	76	-	-	-	-	-
Charge for year	188	69	21	13	5	12	308
Disposals	-	-	-	(10)	-	-	(10)
At 31 August 2016	865	145	21	38	5	47	1,121
NET BOOK VALUE							
At 31 August 2016	10,784	3,302	186	19	42	2	14,335
At 31 August 2015	12,777	-	-	32	-	14	12,823

The above transfer relates to the re-classification of the land and buildings at St Peter's Church of England academy.

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 31 August 2015 and 31 August 2016	1
NET BOOK VALUE	
At 31 August 2015 and 31 August 2016	1

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

Manor Sports and Leisure Ltd (formerly Manor School Co-operative Limited)

Company registration number: 07877519

Country of incorporation: England

Nature of business: hire of sports and business facilities

Class of share:	% holding	2016 £000s	2015 £000s
Ordinary	100	7	6
Aggregate capital and reserves		1	2
Profit for the year			

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

14. FIXED ASSET INVESTMENTS (continued)

A summary of the results for the year to 31 August 2016 and the balance sheet position as at 31 August 2016 is shown below:

	2016	2015
	£000s	£ 000s
Turnover	154	152
Other income	4	10
Expenditure	(106)	(110)
	<hr/>	<hr/>
Profit on ordinary activities before Gift Aid payment	52	52
Gift Aid payment to Manor Learning Trust	(51)	(50)
	<hr/>	<hr/>
Net profit before taxation	1	2
Taxation	-	-
	<hr/>	<hr/>
Retained profit for year	1	2
	<hr/>	<hr/>
Current assets	68	72
Current liabilities	(61)	(66)
	<hr/>	<hr/>
	7	6
	<hr/>	<hr/>
Called up share capital	-	-
Profit and loss account	7	6
	<hr/>	<hr/>
Shareholder's funds	7	6
	<hr/>	<hr/>

The audit report for Manor Sports and Leisure Limited for the year ended 31 August 2016 is unmodified.

15. STOCKS

	2016	2015
	£000s	£000s
Catering supplies	4	4
	<hr/>	<hr/>

16. DEBTORS

	2016	2015
	£000s	£000s
Trade debtors	30	20
Amounts owed by group undertakings (Gift Aid)	51	50
Prepayments and accrued income	150	68
Other debtors	43	13
	<hr/>	<hr/>
	274	151
	<hr/>	<hr/>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£000s	£000s
Trade creditors	201	93
Taxation and social security	91	72
Accruals and deferred income	138	58
Other creditors	86	64
	<hr/>	<hr/>
	516	287
	<hr/>	<hr/>

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

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2016	2015
	£000s	£000s
Deferred income		
Deferred income at 1 September 2015	33	15
Released from previous years	(33)	(15)
Resources deferred in the year	55	33
	<hr/>	<hr/>
Deferred income at 31 August 2016	55	33
	<hr/> <hr/>	<hr/> <hr/>

At the balance sheet date the Academy Trust was holding funds received in advance for rates relief and school trips for the 2017 academic year.

18. FUNDS

	Balance at 1 September 2015	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2016
	£000s	£000s	£000s	£000s	£000s
Restricted general funds					
General Annual Grant (GAG)	195	4,710	(4,870)	16	51
Other DfE/EFA grants	-	216	(216)	-	-
Other restricted general funds	52	588	(591)	-	49
Pension Reserve	(1,103)	(265)	(83)	(875)	(2,326)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(856)	5,249	(5,760)	(859)	(2,226)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds					
DfE/EFA capital grants	275	146	-	-	421
Fixed asset fund	12,548	1,566	(308)	121	13,927
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	12,823	1,712	(308)	121	14,348
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	11,967	6,961	(6,068)	(738)	12,122
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	640	52	-	(137)	555
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	12,607	7,013	(6,068)	(875)	12,677
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

Restricted General Funds represent unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the Academy together with other restricted general funds.

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

During the period a transfer of £121,000 was made from unrestricted funds to restricted fixed asset funds in respect of capital expenditure in the period funded from the unrestricted reserve. A further transfer of £16,000 was made from unrestricted funds to restricted general funds in order to cover the planned overspend.

Other restricted general funds at 31 August 2016 comprise:

	£000s
Bikeability fund	38
Sports Games Organiser fund	11
	<hr/>
	49
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

18. FUNDS (continued)

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.

Total funds analysis by Academy

Fund balances at 31 August 2016 were allocated as follows:

	Total £000s 2016	Total £000s 2015
Manor School Sports College	612	852
St Peters Church of England Academy	26	35
Stanwick Primary School	17	-
	<hr/>	<hr/>
Total before fixed assets and pension reserve	655	887
Restricted fixed asset fund	14,348	12,823
Pension reserve	(2,326)	(1,103)
	<hr/>	<hr/>
Total	<u>12,677</u>	<u>12,607</u>

Total cost analysis by Academy

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

	Teaching & Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Other Educational Supplies £000s	Other Costs (excluding Depreciation) £000s	Total 2016 £000s	Total 2015 £000s
Manor School Sports College	3,219	776	532	547	5,074	4,770
St Peters CofE Academy	401	101	45	80	627	556
Stanwick Primary School	44	10	4	1	59	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	<u>3,664</u>	<u>887</u>	<u>581</u>	<u>628</u>	<u>5,760</u>	<u>5,326</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds £000s	Restricted Pension Reserve £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total Funds £000s
Tangible fixed assets	-	-	-	14,335	14,335
Fixed asset investments	-	-	-	-	-
Current assets	555	-	616	13	1,184
Current liabilities	-	-	(516)	-	(516)
Pension scheme liability	-	(2,326)	-	-	(2,326)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Assets	<u>555</u>	<u>(2,326)</u>	<u>100</u>	<u>14,348</u>	<u>12,677</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

20. CAPITAL COMMITMENTS

	2016	2015
	£000s	£000s
Contracted for, but not provided in the financial statements	17	-

21. COMMITMENTS UNDER OPERATING LEASES

Operating leases

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

	2016	2015
	£000s	£000s
Amounts due within one year	82	7
Amounts due between one and five years	296	9
	<u>378</u>	<u>16</u>

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£000s	£000s
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	945	(358)
Adjusted for:		
Net assets transferred in on conversion	(1,311)	-
Depreciation	308	252
Capital grants from DfE and other capital income	(146)	(28)
Interest receivable	(2)	(6)
Defined benefit pension scheme cost less contributions payable	40	48
Defined benefit pension scheme finance cost	43	40
(Increase) /decrease in debtors	(123)	1
Increase/(decrease) in creditors	239	(94)
Net cash provided by/(used in) operating activities	<u>(7)</u>	<u>(145)</u>

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2016	2015
	£000s	£000s
Dividends, interest and rents from investments	2	6
Capital grants from DfE/EFA	146	219
Purchase of tangible fixed assets	(254)	(614)
Net cash used in investing activities	<u>(106)</u>	<u>(389)</u>

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31	At 31
	August	August
	2016	2015
	£000s	£000s
Cash at bank and in hand	906	1,019
Total cash and cash equivalents	<u>906</u>	<u>1,019</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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

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

Contributions amounting to £85,259 (2015: £63,998) were payable to the schemes at 31 August 2016 and are included in creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by 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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Valuation of the Teachers' Pension Scheme (continued)

- 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 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 April 2019.

The employer's pension costs paid to TPS in the period amounted to £409,480 (2015: £313,416).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £248,000 (2015: £235,000), of which employer's contributions totalled £196,000 (2015: £186,000) and employees' contributions totalled £52,000 (2015: £49,000). The agreed contribution rates for future years are between 22.6% and 24.6% 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.

Principal Actuarial Assumptions

	At 31 August 2016	At 31 August 2015
Rate of increase in salaries	4.1%	4.6%
Rate of increase for pensions in payment/inflation	2.1%	2.7%
Inflation assumption (CPI)	2.1%	2.6%
Discount rate for scheme liabilities	2.1%	3.8%
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 31 August 2016:	Approximate % increase to Employer Liability	Approximate monetary amount £000s
0.5% decrease in Real Discount Rate	13%	717
1 year increase in member life expectancy	3%	162
0.5% increase in the Salary Increase Rate	5%	267
0.5 % increase in the Pension Increase Rate	8%	425

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

27. PENSION AND SIMILAR OBLIGATIONS (continued)

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

	At 31 August 2016	At 31 August 2015
<i>Retiring today</i>		
Males	22.3	22.3
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	24.0	24.0
Females	26.6	26.6

The Academy Trust's share of the assets in the scheme were:

	Fair value at 31 August 2016 £000s	Fair value at 31 August 2015 £000s
Equity instruments	2,187	1,618
Debt instruments	586	439
Property	246	208
Cash	62	46
Total market value of assets	3,081	2,311

The actual return on scheme assets was £92,000 (2015: £79,000).

Amounts recognised in the statement of financial activities	2016 £000s	2015 £000s
Current service cost (net of employee contributions)	236	234
Net interest cost	43	40
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Total operating charge	279	274

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

	2016 £000s	2015 £000s
At 1 September	3,414	3,108
Upon conversion	350	-
Current service cost	236	234
Interest cost	135	119
Employee contributions	52	49
Actuarial loss/(gain)	1,272	(54)
Benefits paid	(52)	(42)
Plan introductions, benefit changes, curtailments and settlements	-	-
At 31 August	5,407	3,414

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

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

	2016	2015
	£000s	£000s
At 1 September	2,311	2,047
Upon conversion	85	-
Interest income	92	79
Return on plan assets (excluding net interest on the net defined pension liability)	397	(8)
Employer contributions	196	186
Employee contributions	52	49
Benefits paid	(52)	(42)
Plan introductions, benefit changes, curtailments and settlements	-	-
	<hr/>	<hr/>
At 31 August	3,081	2,311
	<hr/>	<hr/>

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 Sports and Leisure Limited:

- a) The Academy recharged staff costs and other expenses totalling £80,432 (2015: £78,259) to the subsidiary.
- b) The subsidiary recharged other costs of £7,882 (2015: £292) to the Academy and contributed £10,000 (2015: £10,000) toward the maintenance of the All Weather Pitch.
- c) The subsidiary agreed to gift aid £51,000 (2015: £50,000) to the Academy.
- d) At 31 August 2016 trade debtors included £6,660 (2015: £14,555) due from the subsidiary.
- e) At 31 August 2016 other debtors included £51,000 (2015: £50,000) due from the subsidiary.
- f) At 31 August 2016 trade creditors included £931 (2015: £54) due to the subsidiary.

29. ULTIMATE CONTROLLING PARTY

The Academy is under the control of the Trustees.

30. EXPLANATION OF TRANSITION TO FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 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.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

30. EXPLANATION OF TRANSITION TO FRS 102 (continued)

Reconciliation of total funds	Notes	1 September 2014 £000s	31 August 2015 £000s
Total funds under previous UK GAAP		12,919	12,607
Total funds reported under FRS 102		12,919	12,607
Reconciliation of net income/(expenditure)	Notes		31 August 2015 £000s
Net income/(expenditure) previously reported under UK GAAP			(320)
Change in recognition of LGPS interest cost	A		(38)
Net movement in income reported under FRS 102			(358)

A - Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £38,000 and increase the credit in other recognised gains and losses in the SOFA by an equivalent amount.