

Company Registration No. 09422746 (England and Wales)

**WEST STAFFORD MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016**



# WEST STAFFORD MULTI ACADEMY TRUST

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# WEST STAFFORD MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

Rev S M Symons  
Mr S G Roe (Chair of board of trustees)  
Mr J M Beacham  
Dr M J Little (Resigned 20 June 2016)  
Mrs C A Jones  
Mr P T Keeling  
Mrs P Edwards  
Mrs T Cook (Resigned 8 November 2016)  
Mrs P Gallant (Accounting Officer) (Appointed 1 September 2015)  
Mr B Stamp (Appointed 20 June 2016 and resigned 8 November 2016)

### Members

Diocesan Church of England Central Education Trust

### Senior management team

Headteacher	Mrs P Edwards
Headteacher	Mrs P Gallant
Headteacher	Mrs T Cook

**Company secretary** Mrs C A Jones

**Company registration number** 09422746 (England and Wales)

**Registered office** St Lawrence CE Primary School  
Lowfield Lane  
Gnosall  
Staffordshire  
ST20 0ET

### Academies operated

	Location
Gnosall St Lawrence CE Primary Academy	Staffordshire
Haughton St Gile's CE (C) Primary Academy	Staffordshire
Woodseaves C of E Primary Academy	Staffordshire

### Headteacher

Mrs P Edwards
Mrs T Cook
Mrs P Gallant

### Independent auditor

Moore Stephens  
1 Lakeside  
Festival Way  
Festival Park  
Stoke-on-Trent  
ST1 5RY

# WEST STAFFORD MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Bankers**

Santander  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

### **Solicitors**

Freeths Solicitors  
Federation House  
Station Road  
Stoke-on-Trent  
ST4 2SA

### **Education Finance Advisors**

Entrust Support Services  
Riverway Centre  
Riverway  
Stafford  
Staffordshire  
ST16 3TH

# WEST STAFFORD MULTI ACADEMY TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2016**

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

The West Stafford Multi Academy Trust operates 3 primary academies in the surrounding areas of Stafford, Gnosall St Lawrence Primary Academy, Haughton St Giles Primary Academy and Woodseaves Primary Academy. Its academies have a combined pupil capacity of 555 and had a roll of 482 in the school census in October 2015.

### **Structure, governance and management**

#### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The charitable company is known as West Stafford Multi Academy Trust.

The trustees of West Stafford Multi Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

#### Members' liability

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

#### Trustees' indemnities

All of the trustees are members of a local governing body for one of the academies and as part of the insurance cover taken out with the third party insurers, each academy has taken out insurance relating to Governors' Indemnity for their local governing body. The limit of indemnity cover is as follows:

- Gnosall St Lawrence CE Primary Academy £2,000,000
- Haughton St Giles Primary Academy £2,000,000
- Woodseaves CE Primary Academy £1,000,000

#### Method of recruitment and appointment or election of trustees

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association subject to articles 46-49 and 64:

- The number of trustees shall be no fewer than 5, appointed under Article 50 and 51.
- The chairperson or member of a Local Governing Body (LGB) of any of the academies nominated by the trustees.
- Parent trustees if appointed under articles 53-56 in the event that no provision is made for parent representatives on LGBs under Article 101A
- Any trustees appointed in accordance with Article 51
- The trustees appointed under Article 50 with the consent of the Diocesan Board of Education may appoint up to 2 co-opted trustees for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit.

The term of office for any trustee is 4 years. Subject to remaining eligible, any trustee may be re-appointed or re-elected.

# WEST STAFFORD MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Policies and procedures adopted for the induction and training of trustees

All trustees are provided with an induction meeting and pack upon appointment. The training and induction of trustees will depend on their existing experience. A skills audit is carried out to allocate the trustees to the committee to which their skills are best suited. When necessary, training on legal, financial and educational matters will be appropriately sourced, for example by FASNA.

### Organisational structure

A unified management structure has been put in place. The trustees have responsibility for the overall strategic direction of the academy trust. Local Governing Bodies are responsible for applying this strategic direction to the individual academies that form the academy trust and submit reports to the board of trustees detailing how this is being achieved. The head teachers of each academy within the trustees work collaboratively to produce their own academy development plans. The aim of the management structure is to devolve responsibility and encourage involvement in decision-making at all levels.

The trustees monitor the performance of each academy within the academy trust by the use of budgets and make major decisions about the direction of each academy's capital expenditure and senior staff appointments. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets. Spending control is devolved to members of the management team within the limits in accordance with the Financial Policy and Scheme of Delegation approved by the board of trustees of the academy trust.

### Arrangements for setting pay and remuneration of key management personnel

The academy trust has its own Pay Policy in accordance with the Teachers Pay and Conditions document and any other increased remuneration is directly linked to improved performance and decided upon by each school's Local Governing Body Pay Committee. This is then reported to the Finance, Premises and Personnel Committee of the academy trust.

## **Objectives and activities**

### Objects and aims

As a group of Church of England voluntary controlled primary schools, the West Stafford Multi-academy Trust works to principles which firmly embed Christian values at the heart of all we plan and deliver for our children, staff and the wider community. Our vision for each of our schools is encapsulated in the four vision goals below:

- Personal development – to enable all children to be safe, confident, resilient and persevering in the face of life's challenges
- Curriculum design – to enable all children to be self-motivated, enthusiastic about learning so that they achieve the full extent of their potential
- Teaching and learning of the highest quality – to enable all children to be fully equipped for learning now and throughout their future, especially through the acquisition of high skill levels in Literacy and Numeracy
- Spiritual development – to enable all children to acquire strong moral compasses and an ability to reflect on their own spiritual journey

### Objectives, strategies and activities

From 1 September 2015 – 31 August 2016 the objectives of the West Stafford Multi Academy Trust were:

- Raising standards across the member schools
  - To continue to develop policies and procedures across the academy trust
  - To continue the development of MAT wide management information systems
  - To continue the implementation of moderation and assessment systems across the trust to quality assure and promote the sharing of good practice.
  - To promote teamwork within each academy and across the academy trust through a series of shared events
  - To evaluate how efficiencies from collaborative procurement can be achieved across the trust
  - To maximise benefits and efficiencies following the appointment of a trust wide Attendance Officer and SENCo
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# WEST STAFFORD MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the academy trust objective and aims and in planning future activities for the period. The trustees consider that the academy trust can clearly demonstrate that its aims are to advance education for public benefit.

### **Strategic report**

#### **Achievements and performance**

- A committee structure has been established which enable the MAT trustees to monitor and challenge pupil outcomes and welfare together with financial probity and health & safety. Separate committees meet half termly and key issues are reported to the MAT Board in a timely manner.
- A joint SENCO has been appointed from Jan 1st and has established consistent processes and procedures across the three academies.
- Attendance across the academies continues to be above national average.
- A joint pay policy is now in place along with a number of other significant HR policies which aid the smooth operation of the MAT
- To support consistent teacher appraisal across the schools, all staff worked collaboratively to produce a career stage expectations document.
- A joint WSMAT health and policy statement and key performance indicators have been agreed.
- Gnosall St Lawrence moved into their new build at the end of February. Parents and children are flourishing in the new, spacious and fit for purpose environment.
- Pupil Premium children continue to be tracked and appropriate interventions put in place and this continues to be a focus of the action plan of each academy.

### Key performance indicators

The board of trustees have monitored these KPIs over the course of the 2015/16 and are satisfied that they have been achieved in the majority of areas. Where they have not been met, the MAT Board have investigated the reasons and appropriate action is planned.

- Self-evaluation of each academy to be at least good in all areas.
- Pupil results to be above national.
- All schools to have a good or outstanding SIAMs inspection.
- Attendance to be over 96%.
- Schools to set balanced or surplus budgets
- Specific health & safety KPIs to be met
- External quality assurance endorses good or better self-evaluation

### 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.

# WEST STAFFORD MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **Financial review**

Income for the year was £7,094,964 of which £2,056,630 was provided by the Department of Education (DfE) via the Education Funding Agency (EFA) by means of standard grants to cover operational costs. This was supplemented by donations and Capital Grants and other trading activities including third party letting and funds generated by extended school activities.

All expenditure supports the academy trust key objectives to deliver quality education to our pupils and community. Expenditure for the year was £4,774,966 with £1,863,593 being attributed to staff costs for the year. The loss on disposal of assets of £2,205,093 and depreciation charge on assets of £129,104 have been included. Net income for the year was £2,319,998.

The academy trust element of the Pension fund that forms part of the Local Government Pension Scheme was valued at 31 August 2016, showing a net deficit of £932,000.

As at 31 August 2016, the net book value of tangible fixed assets was £7,271,549 and the movements are shown in note 11 of the financial statements. The assets were used exclusively in providing education and the associated support services to the pupils across the academy trust.

The academy trust complies with the principles of financial control as outlined in the Academies Financial Handbook and the Accounts Direction. The financial procedures, Scheme of Delegation and Value for Money statement together with systems of financial control ensure that the academy trust conforms to the requirements of propriety, regularity and sound financial management.

The board of trustees are accountable for the allocation of resources to meet the objectives set out in the School Development Plan. The Accounting Officer together with the Finance Committee is responsible for reviewing the Financial Procedures on an annual basis and recommending approval to the main board of trustees. The intention is for individual academy budgets to be monitored on a monthly basis with reports and commentary on income and expenditure against budget provided to the Finance Committee on a twice termly basis and to the board of trustees on a termly basis.

### Reserves policy

Any reserves held are in accordance with the requirements laid down in the Master Funding Agreement and by the Education Funding Agency. The trustees will review the level of reserves annually.

As at 31 August 2016 the academy trust has reserves of £6,661,250 (2015: £4,465,252) which consists of restricted fixed asset funds of £7,268,544 (2015: £4,807,614), pension deficit of £932,000 (2015: £733,000) and free reserves of £324,706 (2015: £390,638). In respect of free reserves this consists of unrestricted funds of £259,188 (2015: £221,712) and restricted funds of £65,518 (2015: £168,926).

The Reserves Policy is awaiting approval by directors at a meeting on 9 January 2017. Once approved the policy states that that general reserves are to be maintained at a level so that when added to any current reserves they are at least 3% of the gross income of the schools. The level will be reviewed annually by the Board.

Unspent income and/or grants not specifically identified for any other purposes will be added to this reserve. Any in year deficits will be resourced from this fund as far as possible. If deficits result in the fund falling below the 3% threshold, additional resources will be set aside from the next year's budget to restore it. In exceptional circumstances where the short fall is large, the LGB may propose to the Trust Board and Finance Committee that it is restored over more than one year.

### Investment policy and powers

Currently the Trust has no investments. The Academy Trust is in the process of creating a policy on investments by which the Board of Trustees will endeavour to adopt a low risk philosophy of funds but attract as high an interest return as possible.

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# WEST STAFFORD MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Principal risks and uncertainties

The Academy Trust has compiled a Risk Register and Risk Management Policy which addresses the principle risks and uncertainties facing the Academy Trust. The MAT board acknowledge the need to maintain a reserves fund to mitigate any financial risk and to ensure the stability of the academy trust as a whole and that of the constituent academies.

Presently the key area of risk is around the impact on grant funding as a result of the reduction of pupil numbers. Plans are currently being developed in order to mitigate the financial impact arising from this risk.

The review highlights the financial risk involved in the reliance on Government funding and the limited influence of the academy trust on the level of future funding

The deficit on the Local Government Pension Scheme of £932,000 presents a concern. However, Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that in the event of academy closure, outstanding local government pension scheme liability would be met by the Department for Education. This guarantee came into force on 18 July 2013

### **Plans for future periods**

- West Stafford Multi Academy Trust will continue to develop and strengthen the academy trust and its constituent academies during the year ahead.
- The academy trust will continued to drive forward the performance of all of its academies in the priority areas of teaching and learning in English, maths, SPAG and the early years and resources will be allocated accordingly. Pupil premium will continue to be used effectively to make progress in closing the achievement gap with greater focus on higher achieving pupils. This will be implemented through the establishment of internal moderation, coaching and evaluation teams.
- The trust will continue to develop the provision for pupils with Special Educational Needs to raise the attainment and progress of this group.
- To establish the long term financial security and sustainably of the MAT opportunities will be explored to grow with other schools looking to join a MAT or larger Multi Academy Trusts.
- In response to end of Key Stage two data at Haughton St Giles academy a two day quality assurance review by CECET has been commissioned. It is anticipated that following this review a strategic plan will be drawn up to address development points raised. The other two schools in the trust will collaborate with and support Haughton St Giles as part of the plan.
- A WSMAT website will be developed linked to the websites of the constituent academies.

### **Auditor**

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- A resolution proposing that Moore Stephens be reappointed as auditor of the charitable company will be put to the members.

A resolution proposing that Moore Stephens be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ..... and signed on its behalf by:

.....

Mr S G Roe

**Chair of board of trustees**

# WEST STAFFORD MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher at Woodseaves Primary Academy (from July 2016) who has adopted the role of 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 West Stafford Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 10 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Rev S M Symons	10	10
Mr S G Roe (Chair of board of trustees)	9	10
Mr J M Beacham	6	10
Dr M J Little (Resigned 20 June 2016)	4	8
Mrs C A Jones	10	10
Mr P T Keeling	10	10
Mrs P Edwards	9	9
Mrs T Cook (Resigned 8 November 2016)	6	9
Mrs P Gallant (Accounting Officer) (Appointed 1 September 2015)	9	9
Mr B Stamp (Appointed 20 June 2016 and resigned 8 November 2016)	2	2

During the course of the year Dr Little resigned and was replaced by Mr B Stamp

# WEST STAFFORD MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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The finance and premises committee is a sub-committee of the main board of trustees.

The purpose of this committee is to

- consider and approve budget plans
- monitor income and expenditure throughout the year
- authorise expenditure above set limits
- consider adequacy of funding streams
- review financial policies
- consider future financial plans

Attendance at meetings is as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Mr S G Roe (Chair of board of trustees)	4	4
Dr M J Little (Resigned 20 June 2016)	2	4
Mr P T Keeling	4	4
Mrs T Cook (Resigned 8 November 2016)	4	4
Mr B Stamp (Appointed 20 June 2016 and resigned 8 November 2016)	1	1

The Pupil and Wellbeing committee is a sub-committee of the main board of trustees.

The purpose of this committee is to

- receive data from the schools and monitor action plans
- monitor safeguarding across the three schools
- have a strategic oversight of the school development plans
- to evaluate the impact of school development plans on pupil outcomes

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Rev S M Symons	1	2
Mr J M Beacham	1	2
Mrs C A Jones	2	2
Mrs P Edwards	2	2
Mrs P Gallant (Accounting Officer) (Appointed 1 September 2015)	2	2

#### **Review of value for money**

As accounting officer, the headteacher of Woodseaves Primary Academy 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.

# WEST STAFFORD MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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

- the sharing of the cost of the purchase of IT equipment across two of the schools

The use resources has been improved thereby delivering better value of money by

- the MAT has appointed a SENCO across the three schools
- on-going employment of a joint attendance and welfare office
- joint staff training

#### **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 West Stafford Multi Academy Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the 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 year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The risk and control framework**

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

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

The board of trustees has identified the need for a specific internal audit function. This is currently being progressed.

The internal auditor's role will include giving advice on financial matters and performing a range of checks on the academy trust's financial systems including:

- testing of payroll system
- testing of purchase systems
- testing of control account/ bank reconciliations

# WEST STAFFORD MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **Review of effectiveness**

As accounting officer the Headteacher at Woodseaves Primary Academy has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Accountants producing the Management Accounts
- 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 finance and premises committee and a plan to address any weaknesses identified and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on ..... and signed on its behalf by:

Mr S G Roe  
**Chair of board of trustees**

Mrs P Gallant  
**Accounting Officer**

# WEST STAFFORD MULTI ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

Except for the matters detailed below 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.

### **Internal audit procedures**

During the period under consideration the Academy Trust had not formulated a process for independent checking of financial controls, systems, transactions and risks during year ended 31 August 2016.

### **Publishing information about governance structures**

During the period under consideration the Academy Trust had not published on its websites up to date details of all of the governance arrangements as required by the Academies Financial Handbook 2015.

### **Chief financial officer**

During the period under consideration the Academy Trust had not appointed a Chief Financial Officer.

Mrs P Gallant  
**Accounting Officer**

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# WEST STAFFORD MULTI ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

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

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

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

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

Approved by order of the board of trustees on ..... and signed on its behalf by:

Mr S G Roe  
**Chair of board of trustees**

# WEST STAFFORD MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF WEST STAFFORD MULTI ACADEMY TRUST

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We have audited the financial statements of West Stafford Multi Academy Trust for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy 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 accounts**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

In our opinion the financial statements:

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

### **Opinion on other matter prescribed by the Companies Act 2006**

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



# WEST STAFFORD MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF WEST STAFFORD MULTI ACADEMY TRUST (CONTINUED)

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### **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.

**Ashley Conway (Senior Statutory Auditor)**

**for and on behalf of Moore Stephens**

**Chartered Accountants**

**Statutory Auditor**

1 Lakeside

Festival Way

Festival Park

Stoke-on-Trent

ST1 5RY

Dated: .....

# WEST STAFFORD MULTI ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEST STAFFORD MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

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In accordance with the terms of our engagement letter dated 21 October 2015 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 West Stafford Multi Academy Trust's during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of West Stafford Multi Academy Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of West Stafford Multi Academy Trust's funding agreement with the Secretary of State for Education dated 23 March 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 year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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 conclusions includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on control activities which are relevant to regularity and;
- on a sample basis, substantive testing of individual transactions.

# WEST STAFFORD MULTI ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEST STAFFORD MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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### **Conclusion**

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

### **Internal audit procedures**

During the period under consideration the Academy Trust had not formulated a process for independent checking of financial controls, systems, transactions and risks during year ended 31 August 2016.

### **Publishing information about governance structures**

During the period under consideration the Academy Trust had not published on its websites up to date details of all of the governance arrangements as required by the Academies Financial Handbook 2015.

### **Chief financial officer**

During the period under consideration the Academy Trust had not appointed a Chief Financial Officer.

### **Moore Stephens**

Chartered Accountants

1 Lakeside

Festival Way

Festival Park

Stoke-on-Trent

ST1 5RY

Dated: .....

# WEST STAFFORD MULTI ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £		Total 2016 £	Total 2015 5 months £
<b>Income and endowments from:</b>						
Donations and capital grants	2	12,246	3,719	4,672,123	4,688,088	12,437
Donations - transfer from local authority on conversion		-	-	-	-	4,282,825
Charitable activities:						
- Funding for educational operations	5	68,002	2,230,822	-	2,298,824	1,119,850
Other trading activities	3	104,612	88	-	104,700	56,710
Investments	4	3,352	-	-	3,352	574
<b>Total income and endowments</b>		<u>188,212</u>	<u>2,234,629</u>	<u>4,672,123</u>	<u>7,094,964</u>	<u>5,472,396</u>
<b>Expenditure on:</b>						
Raising funds	6	188	-	-	188	45
Charitable activities:						
- Educational operations	7	132,950	2,307,631	2,334,197	4,774,778	1,074,099
<b>Total expenditure</b>	<b>6</b>	<u>133,138</u>	<u>2,307,631</u>	<u>2,334,197</u>	<u>4,774,966</u>	<u>1,074,144</u>
<b>Net income/(expenditure)</b>		55,074	(73,002)	2,337,926	2,319,998	4,398,252
Transfers between funds		(17,598)	(105,406)	123,004	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(124,000)	-	(124,000)	67,000
<b>Net movement in funds</b>		<u>37,476</u>	<u>(302,408)</u>	<u>2,460,930</u>	<u>2,195,998</u>	<u>4,465,252</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>221,712</u>	<u>(564,074)</u>	<u>4,807,614</u>	<u>4,465,252</u>	-
Total funds carried forward		<u>259,188</u>	<u>(866,482)</u>	<u>7,268,544</u>	<u>6,661,250</u>	<u>4,465,252</u>

# WEST STAFFORD MULTI ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative information ended 31 August 2015	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2015
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	2	4,825	446	7,166	12,437
Donations - transfer from local authority on conversion		216,347	(761,000)	4,827,478	4,282,825
Charitable activities:					
- Funding for educational operations	5	-	1,119,850	-	1,119,850
Other trading activities	3	48,066	8,644	-	56,710
Investments	4	574	-	-	574
<b>Total income and endowments</b>		<u>269,812</u>	<u>367,940</u>	<u>4,834,644</u>	<u>5,472,396</u>
<b>Expenditure on:</b>					
Raising funds	6	-	45	-	45
Charitable activities:					
- Educational operations	7	48,100	991,179	34,820	1,074,099
<b>Total expenditure</b>	6	<u>48,100</u>	<u>991,224</u>	<u>34,820</u>	<u>1,074,144</u>
<b>Net income/(expenditure)</b>		221,712	(623,284)	4,799,824	4,398,252
Transfers between funds		-	(7,790)	7,790	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	67,000	-	67,000
<b>Net movement in funds</b>		<u>221,712</u>	<u>(564,074)</u>	<u>4,807,614</u>	<u>4,465,252</u>
Total funds carried forward		<u>221,712</u>	<u>(564,074)</u>	<u>4,807,614</u>	<u>4,465,252</u>

# WEST STAFFORD MULTI ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016		2015	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		7,271,549		4,888,567
<b>Current assets</b>					
Debtors	12	124,756		111,304	
Cash at bank and in hand		428,148		516,342	
		<u>552,904</u>		<u>627,646</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(231,203)		(317,961)	
<b>Net current assets</b>			321,701		309,685
<b>Net assets excluding pension liability</b>			<u>7,593,250</u>		<u>5,198,252</u>
Defined benefit pension liability	17		(932,000)		(733,000)
<b>Net assets</b>			<u>6,661,250</u>		<u>4,465,252</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			7,268,544		4,807,614
- Restricted income funds			65,518		168,926
- Pension reserve			(932,000)		(733,000)
<b>Total restricted funds</b>			<u>6,402,062</u>		<u>4,243,540</u>
<b>Unrestricted income funds</b>	16		259,188		221,712
<b>Total funds</b>			<u>6,661,250</u>		<u>4,465,252</u>

The accounts set out on pages 18 to 40 were approved by the board of trustees and authorised for issue on ..... and are signed on its behalf by:

.....  
Mr S G Roe  
Chair of board of trustees

Company Number 09422746

# WEST STAFFORD MULTI ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

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		2016		2015	
	Notes	£	£	£	5 months £
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		25,399		300,045
Cash funds transferred on conversion			-		216,348
			<u>25,399</u>		<u>516,393</u>
<b>Cash flows from investing activities</b>					
Interest Received		3,352		574	
Capital grants from DfE and EFA		117,224		7,166	
Capital funding from sponsors and others		46,899		-	
Payments to acquire tangible fixed assets		(281,068)		(7,791)	
			<u>(113,593)</u>		<u>(51)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			<u>(88,194)</u>		<u>516,342</u>
Cash and cash equivalents at 1 September			516,342		-
<b>Cash and cash equivalents at 31 August</b>			<u><u>428,148</u></u>		<u><u>516,342</u></u>

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 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.

#### 1.1 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006. West Stafford Multi Academy Trust meets the definition of a public benefit entity under FRS102.

#### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 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 receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where 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.



# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

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

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

#### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more and with an expected useful life exceeding one year are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where land and buildings are occupied under a supplemental agreement they are included in the balance sheet, with a corresponding donation being recognised, and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

(Continued)

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

Long leasehold land and buildings	50 - 125 years
Leasehold improvements	5 - 50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

The costs of assets being constructed are capitalised and not depreciated until they are completed.

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.

#### 1.6 Liabilities

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

#### 1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.8 Taxation

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

#### 1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

(Continued)

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

#### 1.10 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and local authorities.

#### 1.11 Financial Instruments

The Academy only has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets measured at amortised cost. Financial liabilities measured at amortised cost.

#### 1.12 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, 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.

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 1 Accounting policies

(Continued)

#### Critical areas of judgement

The trustees must make critical judgements in applying the charity's accounting policies. The judgements that have the most significant effect on the amounts recognised in the financial statements are discussed below:

The classification of expenditure between restricted and unrestricted is deemed as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

The trustees have considered the classification of depreciation between direct and support costs. The depreciation charge has been allocated based on the proportion of staff costs that are directly attributable to direct and support costs.

The trustees have considered the accounting treatment of land and buildings utilised by the trust. Whilst the freehold titles to the property occupied under supplemental agreements are not held by the academy trust the trustees consider that the use of such land and buildings should be recognised in the balance sheet in order to reflect the value of its anticipated continuous use. Land and buildings occupied under such arrangements are therefore recognised in long term leasehold land and buildings. The valuation basis adopted reflects the depreciated cost of a 125 year lease as determined by an expert valuer.

### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Private sponsorship	-	2,499	2,499	446
Capital grants	-	117,224	117,224	7,166
Capital donation		4,520,899	12,899	-
Other donations	12,246	35,220	47,466	4,825
	<u>12,246</u>	<u>4,675,842</u>	<u>180,088</u>	<u>12,437</u>

### 3 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	14,597	-	14,597	4,745
Music tuition	921	88	1,009	-
Other income	89,094	-	89,094	33,242
	<u>104,612</u>	<u>88</u>	<u>104,700</u>	<u>37,987</u>

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	3,352	-	3,352	574

### 5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	1,878,945	1,878,945	795,739
Start up grants	-	-	-	177,000
Other DfE / EFA grants	-	177,685	177,685	108,314
	-	2,056,630	2,056,630	1,081,053
<b>Other government grants</b>				
Local authority grants	-	146,701	146,701	38,797
Special educational projects	-	3,257	3,257	-
	-	149,958	149,958	38,797
<b>Other funds</b>				
Other incoming resources	68,002	24,234	92,236	-
<b>Total funding</b>	<b>68,002</b>	<b>2,230,822</b>	<b>2,298,824</b>	<b>1,119,850</b>

### 6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
<b>Academy's educational operations</b>					
- Direct costs	1,402,079	1,867,357	133,102	3,402,538	618,318
- Allocated support costs	461,514	504,146	406,580	1,372,240	455,781
	1,863,593	2,371,503	539,682	4,774,778	1,074,099
<b>Other expenditure</b>					
Raising funds	-	-	188	188	45
<b>Total expenditure</b>	<b>1,863,593</b>	<b>2,371,503</b>	<b>539,870</b>	<b>4,774,966</b>	<b>1,074,144</b>

# WEST STAFFORD MULTI ACADEMY TRUST

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

### 6 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2016 £	2015 £
Fees paid to auditor for audit services	8,250	8,250
Operating lease rentals	2,316	1,986
Depreciation of tangible fixed assets	129,104	34,820
Loss on disposal of fixed assets	2,205,093	-
	<u>2,205,093</u>	<u>-</u>

#### Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

### 7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Direct costs - educational operations	23,575	3,378,963	3,402,538	618,318
Support costs - educational operations	109,375	1,262,865	1,372,240	455,781
	<u>132,950</u>	<u>4,641,828</u>	<u>4,774,778</u>	<u>1,074,099</u>

	2016 £	2015 £
<b>Analysis of support costs</b>		
Support staff costs	461,514	199,039
Depreciation and amortisation	25,821	6,964
Loss on disposal	441,019	-
Technology costs	45,876	21,503
Premises costs	124,285	46,683
Insurance	41,661	8,530
Catering	88,374	62,572
Interest and finance costs	30,000	10,000
Other support costs	69,773	24,082
Governance costs	43,917	76,408
	<u>1,372,240</u>	<u>455,781</u>

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 8 Staff costs

	2016 £	2015 £
Wages and salaries	1,460,169	572,901
Social security costs	86,207	32,925
Operating costs of defined benefit pension schemes	285,828	118,914
	<hr/>	<hr/>
Staff costs	1,832,204	724,740
Supply staff costs	6,507	6,360
	<hr/>	<hr/>
Total staff expenditure	1,838,711	731,100
	<hr/> <hr/>	<hr/> <hr/>

### Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2016 Number	2015 Number
Teachers	21	21
Administration and support	65	64
Management	6	9
	<hr/>	<hr/>
	92	94
	<hr/> <hr/>	<hr/> <hr/>

### Higher paid staff

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

	2016 Number	2015 Number
£60,000 - £70,000	-	1
	<hr/> <hr/>	<hr/> <hr/>

### 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 £188,567 (2015: £77,329).

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 9 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

Mrs T Cook (headteacher and accounting officer):

- Remuneration £45,000 - £50,000; (2015: £20,000 - £25,000)
- Employer's pension contributions £5,000 - £10,000; (2015: £0 - £5,000)

Mrs P Edwards (headteacher):

- Remuneration £55,000 - £60,000; (2015: £20,000 - £25,000)
- Employer's pension contributions £5,000 - £10,000; (2015: £0 - £5,000)

P Gallant (headteacher):

- Remuneration £55,000 - £60,000; (2015: N/A)
- Employer's pension contributions £5,000 - £10,000; (2015: N/A)

G Whithall (headteacher, resigned 31 August 2015)

- Remuneration N/A; (2015: £25,000 - £30,000)
- Employer's pension contributions N/A (2015: £0 - £5,000)

No travel and subsistence payments were made to trustees during the year (2015: £nil).

Other related party transactions involving the trustees are set out within the related parties note.

### 10 Trustees and officers insurance

All of the trustees are members of a local governing body for one of the academies and as part of the insurance cover taken out with the third party insurers, each academy has taken out insurance relating to Governors' Indemnity for their local governing body. The limit of Indemnity cover is as follows:

- |                                             |            |
|---------------------------------------------|------------|
| • Gnosall St Lawrence CE Primary Academy    | £2,000,000 |
| • Haughton St Gile's CE (C) Primary Academy | £2,000,000 |
| • Woodseaves C of E Primary Academy         | £1,000,000 |

The cost of this insurance for the year ended 31 August 2016 was £319 (2015: £319).



# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 11 Tangible fixed assets

	Long leasehold land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2015	4,785,000	102,754	12,164	23,469	4,923,387
Transfer on conversion	88,119	(88,119)	-	-	-
Additions	4,540,133	92,805	58,037	26,204	4,717,179
Disposals	(2,243,000)	-	-	-	(2,243,000)
At 31 August 2016	7,170,252	107,440	70,201	49,673	7,397,566
<b>Depreciation</b>					
At 1 September 2015	31,175	-	1,689	1,956	34,820
On disposals	(37,907)	-	-	-	(37,907)
Charge for the year	114,395	2,491	6,432	5,786	129,104
At 31 August 2016	107,663	2,491	8,121	7,742	126,017
<b>Net book value</b>					
At 31 August 2016	7,062,589	104,949	62,080	41,931	7,271,549
At 31 August 2015	4,753,825	102,754	10,475	21,513	4,888,567

Long term leasehold land and buildings includes land and buildings occupied under supplemental agreements. The freehold titles to this property are held by Lichfield Diocesan Board of Education, The Incumbent Vicar and Church Wardens for the time being of the Parish of Haughton and The Incumbent Vicar and Church Wardens for the time being of the Parish of Gnosall.

### 12 Debtors

	2016	2015
	£	£
Trade debtors	2,180	-
VAT recoverable	64,426	44,296
Other debtors	77	-
Prepayments and accrued income	58,073	67,008
	124,756	111,304

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

<b>13 Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	24,206	77,759
Other taxation and social security	35,137	23,976
Other creditors	65,821	26,857
Accruals and deferred income	106,039	189,369
	<u>231,203</u>	<u>317,961</u>
	<u><u>231,203</u></u>	<u><u>317,961</u></u>
<b>14 Deferred income</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Creditors due within one year	61,891	73,207
	<u>61,891</u>	<u>73,207</u>
	<u><u>61,891</u></u>	<u><u>73,207</u></u>
Deferred income at 1 September 2015	73,207	-
Released from previous years	(73,207)	-
Amounts deferred in the year	61,891	73,207
	<u>61,891</u>	<u>73,207</u>
	<u><u>61,891</u></u>	<u><u>73,207</u></u>
<b>Deferred income at 31 August 2016</b>	<b>61,891</b>	<b>73,207</b>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals. Deferred income also includes fees received from parents in advance for extended school provisions and outdoor education trips booked for the autumn term 2016 and donations from Bradley and St Lawrence church for educational supplies yet to be purchased, rates relief 2016/17 and Cera funding for statutory testing still to be completed.

<b>15 Financial instruments</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	2,180	-
	<u>2,180</u>	<u>-</u>
	<u><u>2,180</u></u>	<u><u>-</u></u>
Financial liabilities measured at amortised cost	24,206	77,759
	<u>24,206</u>	<u>77,759</u>
	<u><u>24,206</u></u>	<u><u>77,759</u></u>

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors.

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 16 Funds

	Balance at 1 September 2015	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2016
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant	43,160	1,878,945	(1,875,413)	(21,199)	25,493
Start up grants	115,209	-	(115,209)	-	-
Other DfE / EFA grants	13,747	177,685	(107,225)	(84,207)	-
Other government grants	(6)	149,958	(111,308)	-	38,644
Other restricted funds	(3,184)	28,041	(23,476)	-	1,381
	<u>168,926</u>	<u>2,234,629</u>	<u>(2,232,631)</u>	<u>(105,406)</u>	<u>65,518</u>
Funds excluding pensions					
Pension reserve	(733,000)	-	(75,000)	(124,000)	(932,000)
	<u>(564,074)</u>	<u>2,234,629</u>	<u>(2,307,631)</u>	<u>(229,406)</u>	<u>(866,482)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	4,786	117,224	(5,252)	121,881	238,639
Inherited funds	4,795,142	-	(2,281,343)	(2,381)	2,511,418
Capital expenditure from GAG	7,686	-	(933)	3,504	10,257
Local authority capital grants	-	34,000	(842)	-	33,158
Capital Donations	-	12,899	(747)	-	12,152
Donated Property	-	4,508,000	(45,080)	-	4,462,920
	<u>4,807,614</u>	<u>4,672,123</u>	<u>(2,334,197)</u>	<u>123,004</u>	<u>7,268,544</u>
<b>Total restricted funds</b>	<u>4,243,540</u>	<u>6,906,752</u>	<u>(4,641,828)</u>	<u>(106,402)</u>	<u>6,402,062</u>
<b>Unrestricted funds</b>					
General funds	<u>221,712</u>	<u>188,212</u>	<u>(133,138)</u>	<u>(17,598)</u>	<u>259,188</u>
<b>Total funds</b>	<u>4,465,252</u>	<u>7,094,964</u>	<u>(4,774,966)</u>	<u>(124,000)</u>	<u>6,661,250</u>

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 16 Funds

(Continued)

The transfers between funds for the year relate to the the funding of fixed asset acquisitions from non-capital grant income and unrestricted funds.

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

#### Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education Funding Agency and local authorities.

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.

#### Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

#### Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by The Education Funding Agency and local authorities where the asset acquired or created is held for a specific purpose.

#### Total funds analysis by academy

	Total £
Fund balances at 31 August 2016 were allocated as follows:	
Gnosall St Lawrence CE Primary Academy	142,007
Haughton St Gile's CE (C) Primary Academy	20,009
Woodseaves C of E Primary Academy	162,664
Central services	26
	<hr/>
Total before fixed assets fund and pension reserve	324,706
Restricted fixed asset fund	7,268,544
Pension reserve	(932,000)
	<hr/>
Total funds	6,661,250
	<hr/> <hr/>

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 16 Funds

(Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Gnosall St Lawrence CE Primary Academy	622,994	334,235	42,187	201,961	1,201,377
Haughton St Gile's CE (C) Primary Academy	463,620	71,397	27,508	142,884	705,409
Woodseaves C of E Primary Academy	315,465	55,882	34,129	128,507	533,983
	<u>1,402,079</u>	<u>461,514</u>	<u>103,824</u>	<u>473,352</u>	<u>2,440,769</u>

### 17 Pensions 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 Staffordshire Pension Fund. Both are multi-employer defined benefit schemes.

As described in note 21 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

Contributions amounting to £63,099 were payable to the schemes at 31 August 2016 (2015: £25,864) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 17 Pensions and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

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

The pension costs paid to the TPS in the year amounted to £131,316 (2015: £72,535).

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 contributions are as noted below. The total contribution made for the year ended 31 August 2016 are detailed below. The agreed contribution rates for future years are 20.1% 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.

# WEST STAFFORD MULTI ACADEMY TRUST

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

17 Pensions and similar obligations	(Continued)	
<b>Total contributions made</b>	<b>2016</b>	<b>2015</b>
	£	£
Employer's contributions	112,000	44,000
Employees' contributions	31,000	12,000
	<u>143,000</u>	<u>56,000</u>
<b>Principal actuarial assumptions</b>	<b>2016</b>	<b>2015</b>
	%	%
Rate of increases in salaries	2.5	4.6
Rate of increase for pensions in payment	2.1	2.7
Discount rate	2.1	3.8
Inflation assumption (CPI)	3.0	2.7
Commutation of pensions to lump sums	50.0 - 75.0	50.0 - 75.0
	<u>50.0 - 75.0</u>	<u>50.0 - 75.0</u>
<p>The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:</p>		
	<b>2016</b>	<b>2015</b>
	Years	Years
Retiring today		
- Males	22.1	22.1
- Females	24.3	24.3
Retiring in 20 years		
- Males	24.3	24.3
- Females	26.6	26.6
	<u>26.6</u>	<u>26.6</u>
<b>The academy trust's share of the assets in the scheme</b>	<b>2016</b>	<b>2015</b>
	Fair value	Fair value
	£	£
Equities	483,000	299,700
Bonds	70,840	44,550
Cash	38,640	24,300
Property	51,520	36,450
	<u>644,000</u>	<u>405,000</u>
Total market value of assets	<u>644,000</u>	<u>405,000</u>
Actual return on scheme assets - gain/(loss)	<u>78,000</u>	<u>(23,000)</u>

# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations		(Continued)			
Amounts recognised in the statement of financial activities		2016	2015		
		£	£		
Current service cost		157,000	73,000		
Net interest cost		30,000	10,000		
		<u>          </u>	<u>          </u>		
Changes in the present value of defined benefit obligations		2016			
		£			
Obligations at 1 September 2015			1,138,000		
Current service cost			157,000		
Interest cost			48,000		
Employee contributions			31,000		
Actuarial loss			202,000		
			<u>          </u>		
At 31 August 2016			<u>1,576,000</u>		
Changes in the fair value of the academy trust's share of scheme assets		2016			
		£			
Assets at 1 September 2015			405,000		
Interest income			18,000		
Return on plan assets (excluding amounts included in net interest):					
Actuarial gain			78,000		
Employer contributions			112,000		
Employee contributions			31,000		
			<u>          </u>		
At 31 August 2016			<u>644,000</u>		
18 Analysis of net assets between funds		Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2016
		£	£	£	£
<b>Fund balances at 31 August 2016 are represented by:</b>					
Tangible fixed assets	-	-	7,271,549		7,271,549
Current assets	259,188	293,716	-		552,904
Creditors falling due within one year	-	(228,198)	(3,005)		(231,203)
Defined benefit pension liability	-	(932,000)	-		(932,000)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
		259,188	(866,482)	7,268,544	6,661,250
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



# WEST STAFFORD MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 19 Reconciliation of net income to net cash flows from operating activities

	2016 £	2015 £
Net income for the reporting period	2,319,998	4,398,252
Adjusted for:		
Net surplus transferred on conversion	-	(4,282,825)
Capital grants from DfE/EFA and other capital income	(4,672,123)	(7,166)
Investment income	(3,352)	(574)
Defined benefit pension costs less contributions payable	45,000	29,000
Defined benefit pension net finance cost/(income)	30,000	10,000
Depreciation of tangible fixed assets	129,104	34,820
Losses on disposals of fixed assets	2,205,093	-
Increase in debtors	(13,452)	(111,304)
Increase/(decrease) in creditors	(14,869)	229,842
<b>Net cash provided by operating activities</b>	<u>25,399</u>	<u>300,045</u>

### 20 Major non-cash transactions

During the financial year a new school was built for St Lawrence Primary School at Gnosall under the Priority School Building Programme. This resulted in the donation of land and buildings totalling £4,508,000 and a disposal of the old building at a cost of £2,205,093.

### 21 Capital commitments

	2016 £	2015 £
Expenditure contracted for but not provided in the accounts	<u>24,343</u>	<u>9,792</u>

Woodseaves Primary were committed to pay a further £24,343 to RCS Contractors for the completion of their new roof. This work was completed in October 2016.

### 22 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016 £	2015 £
Amounts due within one year	5,165	4,295
Amounts due in two and five years	11,554	10,143
	<u>16,719</u>	<u>14,438</u>

# WEST STAFFORD MULTI ACADEMY TRUST

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

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### 23 Related party transactions

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

An employee of the academy trust is the husband of a member of Senior Management Team. During the year he received remuneration for this employment of £27,430.

An employee of the academy trust is related to a member of the Senior Management Team. However during the current financial year no remuneration was made for this employment as they were employed on a casual contract which did not come into effect until July 2016.

A previous trustee of the academy trust provided professional services to the academy trust during the year amounting to £nil (2015: £838). No amounts were outstanding at the end of the year.

### 24 Members' liability

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