

ABINGDON LEARNING TRUST
(Rush Common Academy Trust until 09 August 2016)

(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016



ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

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ABINGDON LEARNING TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016

Members

S Goodger
R Hawkins
D Lymn
K Pocock resigned 19.10.16
M Pratt
G Simpson
C Wilmshurst

Directors / Governors

J Burns commenced 20.04.16
V Case
K De Villiers
J Haggas commenced 21.10.15
L Kendry commenced 21.10.15
D Latimer
M Nga
R Parsonson
S Robertson resigned 21.10.15
J Stevenson commenced 21.10.15
L Youngman

Company Secretary

Blake Morgan Secretarial Services, New Kings Court, Tollgate, Chandlers Ford
Eastleigh, Hampshire, SO53 3LG

Senior Management Team

L Youngman	Headteacher
J. Stevenson	Deputy Headteacher
E Putt	Assistant Headteacher (appointed April 2016)
M Ainscough	Head of Pupil Support and Welfare
Z Bratt	Head of Business and Finance
K Joyner	Head of Foundation Stage
B Davies	Head of Middle School
S Saunter	Head of Upper School

Company Name

Abingdon Learning Trust from 9 August 2016, previously Rush Common Academy Trust

Principal and registered office

Hendred Way, Abingdon, OX14 2AW

Company registered number

07931886 (England & Wales)

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016

Independent Auditors

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

Bankers

Lloyds Bank plc, 8 Ock Street, Abingdon, OX14 5AP

Solicitors

Blake Morgan, Seacourt Tower, West Way, Oxford, OX2 0FB

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

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

The Trust operates an Academy for pupils aged 5 to 11 serving a catchment area in Abingdon. It has a pupil capacity of 420 and had a roll of 408 in the school census in 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 Directors of Abingdon Learning Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Abingdon Learning Trust, which was formerly Rush Common Academy Trust until 9 August 2016.

Details of the Directors 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 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.

Directors' Indemnities

Directors benefit from indemnity insurance to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £524.

Method of Recruitment and Appointment or Election of Directors

The Academy's Board of Directors comprises the Chief Executive Officer, a minimum of two Parent Directors for every ten directors, staff directors (providing that the total number of directors, including the Chief Executive Officer, who are employees of Abingdon Learning Trust (ALT) does not exceed one third of the total number of directors) and other directors, up to a maximum of 18. The Articles of Association require there to be a minimum of three directors.

Parent Directors are elected by the parents of current pupils of ALT. As provided for in the Articles of Association, the Members appointed the existing Parent Directors on the basis that they had been elected to serve as Parent Governors of ALT prior to its conversion to an Academy.

Staff Directors are proposed to the Members by school staff currently employed by ALT.

For the appointment of other Directors, the Board gives consideration to the professional range of expertise to ensure that the Board of Directors has the necessary knowledge, skills and experience to contribute fully to the development of ALT.

**ABINGDON LEARNING TRUST
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**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Policies and Procedures Adopted for the Induction and Training of Directors

All Directors were given training on Academies, Charity Law and the roles and responsibilities of being a Director prior to Rush Common School converting to an Academy on 1 March 2012. All new Directors are invited to tour the school and meet with staff and pupils and participate in a personalised induction programme, taking into account their experience. Directors are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documentation required to fulfil their role. Where necessary, induction will include training on charity and educational legal and financial matters, including safeguarding training. The induction process is seen as an investment, leading to more effective governance and retention of Directors.

Directors are encouraged to attend additional courses linked to their areas of interest, development and responsibility. To support on-going training and development, Directors are involved in regular Learning Walks with the Headteacher as well as meetings with members of the Leadership Team, for example the SEND and Pupil Premium Directors meet regularly with the Head of Pupil Support and Welfare to evaluate impact of actions in place.

Organisational Structure

ALT current has one school in the Trust, this has a leadership structure which consists of the Board of Directors, the Leadership Team and Phase Leaders. The aim of the leadership structure is to delegate and devolve responsibility and engage involvement in decision making at all levels. The Headteacher is the Accounting Officer.

The Directors are responsible for setting overall policy, adopting an annual plan and budget, monitoring the school by the use of budgets and other data and making major decisions about the direction of the school, capital expenditure and staff appointments.

Directors are assigned to ALT's committees; each having its own Terms of Reference outlining specific responsibilities.

The Leadership Team for 2015-16 consists of the Headteacher: a Headteacher (maternity leave from June 16), a Deputy Headteacher (Acting Headteacher from June 16), Assistant Headteacher from April 2016 : Head of Business and Finance: Head of Pupil Support and Welfare: Head of Lower, Middle and Upper School. The Headteacher, Head of Business and Finance and the Finance and Audit Committee are responsible for the authorisation of spending within agreed budgets; a summary of the scheme of delegation is in the Financial Handbook. Some spending control is devolved to Budget Holders which must be authorised in line with the Financial Handbook. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a non-executive director.

The Heads of Lower, Middle and Upper School assist with the day to day operation of Rush Common School, in particular overseeing the quality of teaching and learning, staff, facilities and pupils.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel, who are teaching staff including Headteacher, Deputy Headteacher, Assistant Headteacher, Phase Leaders and Head of Pupil Support and Welfare are currently engaged and reviewed and under Teachers Pay and Conditions guidelines. The Head of Business and Finance is engaged and reviewed under the Green Book regulations.

Related parties and other connected charities and organisations.

ALT does not have any connected organisations or related party relationships. Although it does not have a controlling interest or ownership interest, Abingdon Learning Trust has strong links with Friends of Rush Common with which it cooperates in the pursuit of charitable activities. Further details are given in note 22.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The main objective of ALT is specifically restricted to: a) the advancement, for public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing a school offering a broad and balanced curriculum; and b) to promote, for the benefit of the inhabitants of Oxfordshire and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the objective of improving the condition of life of those inhabitants.

The principal aim of ALT is to provide high quality learning that supports all pupils to fulfil their intellectual potential and become emotionally well-balanced, and inspires individuals to meet the challenges of the future.

Objectives, Strategies and Activities

ALT aims to provide a safe, continually improving and inspirational educational environment, making innovative and appropriate use of technologies, so that pupils, staff and the community develop as confident, independent learners with high aspirations. Rush Common School provides an environment where a learner's capacity to be resourceful and adaptable, embrace change and challenge and foster the qualities of resilience and self-confidence, is developed.

Rush Common School acts as the dynamic heart of a flourishing learning community, where on-going high quality professional training and development plus mutually beneficial relationships with wide ranging agencies and organisations enhance the opportunities and experiences for all learners. Partnerships encompass the local community and connect with wider learning communities nationally and internationally.

All members of the school community should:

- be self-respecting individuals who take personal responsibility for their own learning;
- work hard and achieve their very best;
- show respect for, and tolerance of, others and the world in which we live;
- be sensitive to the needs of others with the capacity to empathise with the experiences of people from diverse communities and backgrounds;
- display determination, self-discipline and perseverance and to be confident to take 'risks'; and
- be able to respond positively to the challenges they will encounter in the changing learning, work and social environments they will encounter in the 21st century.

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

Objectives, Strategies and Activities (continued)

Key priorities for Rush Common School during the year were outlined in the School Improvement Plan. Target areas of development during the academic year **2015-16** included:

1. *Outcomes* - By the end of Y6 standards in core subjects consistently place Rush Common in the top 20% of schools nationally for attainment and progress with similar levels of achievement in foundation subjects.

Key strategic objective:

- Accelerate progress for focus groups in core subjects.
- Achievement in Reading and Writing:
- Increase the proportion of children making and exceeding expected progress in English and Maths so that figures are high compared to national.
- From their starting points pupils make at least expected progress and a high proportion are working beyond national expectations

2. *Quality of Teaching* - Children experience consistently good or better teaching, that engenders a 'growth mind-set', develops thinking skills, independent learning and life-long skills and promotes spiritual, moral, social and cultural development. As a result, children make substantial and sustained progress.

Key strategic objectives:

- To increase the proportion of outstanding teaching across the school
- To continue to embed the new national curriculum including the teaching of Mastery across the school
- To refine and evaluate new assessment practices and develop a robust system for assessing non core subjects.

3. Personal development behaviour and welfare - Effective systems are deployed to care for, guide and support the needs of pupils and engage the school, local and national communities.

Key Strategic objectives

- To maintain high standards of behaviour across the school
- To continue to develop children's moral spiritual social and cultural development in order that children are thoughtful caring and active citizens
- To develop children's knowledge of healthy eating and keeping healthy.

4. *Leadership and Management* - The school has a highly skilled, flexible and adaptable workforce, able to work in mutually beneficial partnerships and/or collaboration with other schools and agencies where talent management and succession planning is at the core. Leaders create a culture that enables all staff and pupils to excel.

Key Strategic objectives

- To develop a self-improving school system, which is responsive to the changing educational landscape and pursues excellence in all areas of work.
- To ensure that all pupils are safe and attendance remains high
- To ensure that children experience a broad and balanced curriculum.

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

Objectives, Strategies and Activities (continued)

5. The Academy conversion systems, procedures and processes are successfully implemented and the school's physical environment enhances the quality of teaching and learning.

Key strategic objective:

- Deploy resources effectively and efficiently.
- To implement agreed plans to ensure a safe exciting learning environment including outdoor learning spaces.

Public Benefit

The Directors of ALT have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the ALTs purpose for the Public Benefit include:

Providing an education that is:

- balanced and broadly based;
- promotes the spiritual, moral, cultural, mental and physical development of pupils at the school and of society;
- prepares pupils at the school for the opportunities, responsibilities and experiences of later life;
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise;

ALT provides additional support to other local schools and schools within Oxfordshire. The school also actively provides placements for trainee teachers and work experience students.

ALT lets out its facilities to local sports clubs offering courses which are advertised in the local community. Members of the local community also hire facilities for one-off events, performances or activities. This is part of the extended schools provision.

ALT actively engages in charity work through a range of themed activities and days throughout the year.

STRATEGIC REPORT

Achievements and Performance

During the year the school received income of £1,719,731 in government and local authority grants most of it in the form of recurrent grants, the use of which has been restricted. The grant received in the form of the General Annual Grant ('GAG') from the EFA and associated expenditure is shown in the restricted funds in the statement of financial activities. A further £260,029 was received in other income.

Key Financial Performance Indicators

The majority of the ALT's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the twelve months ended 31 August 2016 and the associated expenditure is shown as restricted funds in the statement of financial activities.

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

Key Financial Performance Indicators (continued)

The Academy also received a capital grant for replacement Boilers in 2015-16. In accordance with the Charities Statement for Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

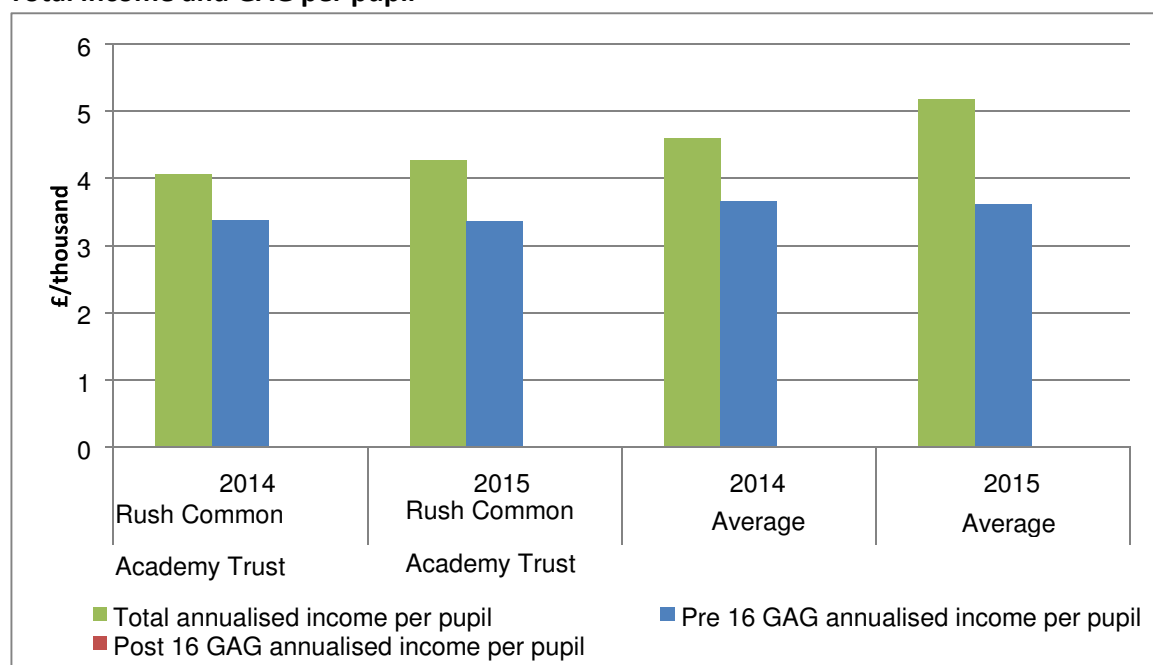
During the twelve months ended 31 August 2016, total expenditure of £1,877,755 (including depreciation of £87,765) was less than recurrent grant funding from the EFA together with other incoming resources of £1,979,760. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £7,638 before pension scheme unrealised losses.

As at 31 August 2016 the net book value of fixed assets was £4,147,748 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of ALT.

The Local Government Pension Scheme as at 31 August 2016 held a deficit of £1,033,000, the breakdown of which is detailed within note 20 to the Financial Statements.

Local benchmarking comparatives are shown below:

Total income and GAG per pupil



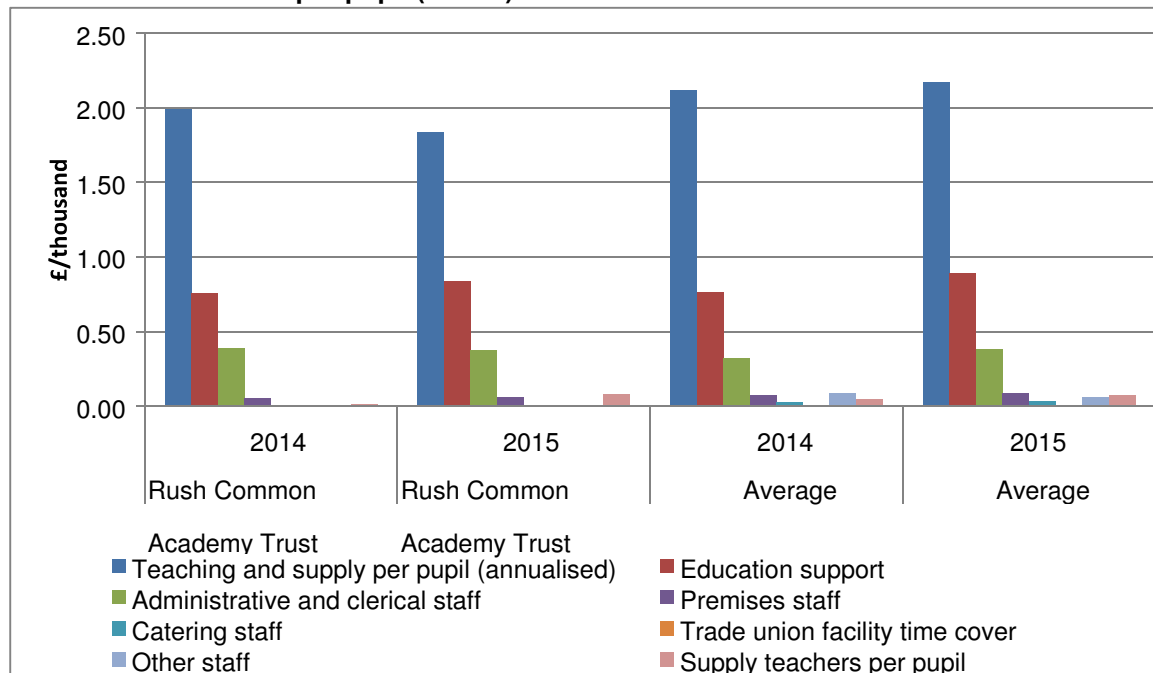
Graph showing total income per pupil against GAG funding.

Total annualised income includes GAG income and all other non capital income, for example rental income, catering income where relevant, Local Authority income etc.

GAG funding information has been taken from DFE data to try to ensure comparability. Blanks in historical data tend to relate to the year of conversion.

Key Financial Performance Indicators (continued)

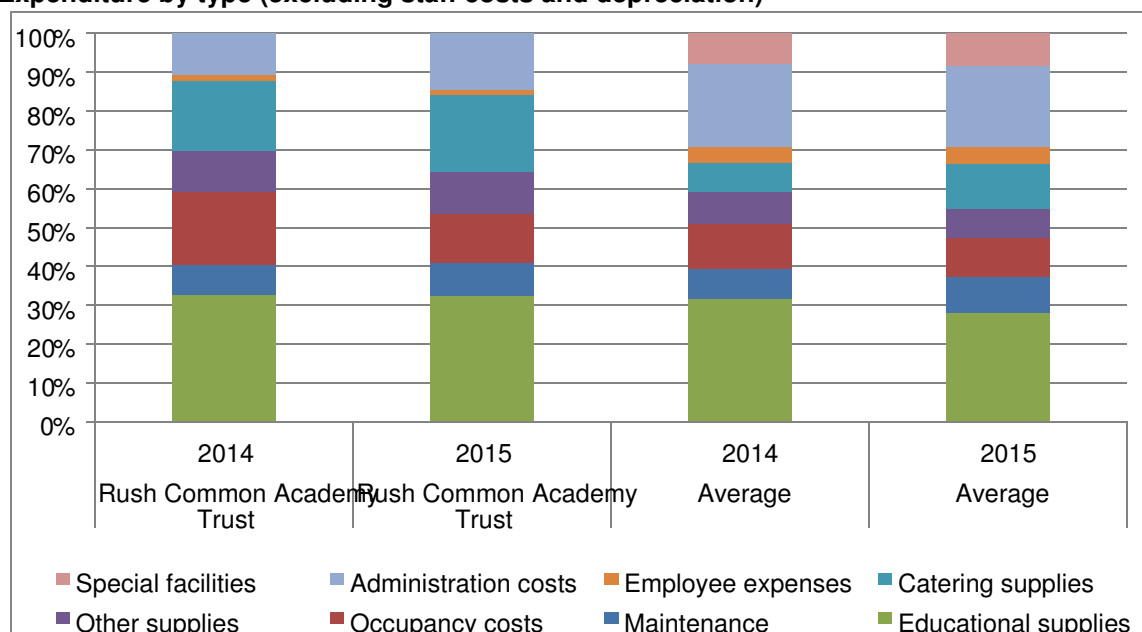
Annualised staff costs per pupil (£'000s)



Graphs showing differing types of staff costs against pupil numbers. Note that classification of staff can be judgemental and may not be consistent across schools. Some fluctuation is expected due to the differing needs of pupils and the broad range of activities carried by schools.

Key Financial Performance Indicators(continued)

Expenditure by type (excluding staff costs and depreciation)



Graph showing mix of expenditure other than staff costs and depreciation. Non-staff costs typically relate to around 20% of overall expenditure. The largest expenditure item is educational supplies.

Educational Key Performance Indicators

Rush Common leadership is focussed on driving standards in achievement and is ambitious for its children, staff and community. Children demonstrate enthusiasm, are articulate, confident, respectful and are involved in leading their own learning. Distributed leadership and a strong tradition of continuous professional development ensures that staff are empowered to drive improvement. National initiatives have been successfully implemented and outcomes for children have continued to improve in areas of focus.

The school retains its 'Outstanding' Ofsted grading and is highly regarded within the community. The school was full for the 2015-16 academic year. An external School Improvement Advisor visit confirmed the schools' self-evaluation as overall 'outstanding' although outcomes is currently assessed as good. Rush Common School holds a number of awards including the NACE Challenge Award; ICT Mark and the Kite Mark Gold for Sports Provision and the Governor Mark. Pupil attendance figures are currently above the national average figures, at 98%.

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

Educational Key Performance Indicators (continued)

Results from the statutory tests in 2016 are not comparable to previous years.

- Key stage 1 outcomes across all subjects are significantly above national figures (July 2016).
- The percentage of children achieving greater depth in core subjects in KS1 are significantly above national levels.
- Key Stage 2 outcomes in reading are above national figures
- Key Stage 2 outcomes in Writing and Spag are broadly in line with national figures
- Phonics - 71% of children achieved the expected standard in June 2016
- More able children are achieving well across the school.
- Overall progress in FS is good. 69% of children in the FS achieved a Good Level of Development, which is in line with national figures and demonstrates an upward two year trend (15.7% increase from 2014)
- Key Stage 2 outcomes in Maths were below National Figures

Going Concern

After making appropriate enquiries, the Board of Directors 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

ALT practices through its Board, namely the Board of Directors and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the attention of the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Board of Directors accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Directors collectively, whilst more minor risks are dealt with by the Leadership Team. A Risk Register is maintained and reviewed at regular intervals.

Reserves Policy

The policy of ALT is to maintain a sufficient surplus to uphold the following year's budget against financial uncertainty and then to transfer recognised surpluses to reserves for investment in tangible fixed assets in all ways possible to assist our staff to achieve increasing academic standards.

At 31 August 2016 the total funds comprised:

Unrestricted		85,979
Restricted:	Fixed asset funds	4,172,648
	Pension reserve	(1,033,000)
	GAG	59,761
	Other	30,408
		<hr/>
		3,315,796
		<hr/>

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

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 20. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Directors, and represent one week's worth of Academy expenditure. The aim of the Directors is to increase this reserve to meet future working capital requirements.

Investment Policy

ALT seeks to invest surplus funds in a manner to obtain the best possible return consistent with prudent minimisation of risk and with strategic plan of the Trust for deployment of resources. The Trust is committed to investment with reputable and ethical investors.

Principal Risks and Uncertainties

There are a number of factors which might affect the principal risks and uncertainties that the Trust faces and how the Board intends to resolve them.

- Change in government policy – with a change in government or change in government policy, the funding of the school might change and might in the future reduce funding. This is mitigated by building healthy unrestricted reserves which may be used in times where funding is reduced.
- The overall performance of the students - this is a continuing risk to the school since both funding, student numbers and positioning of the school is affected if performance of the pupils declines. To ensure that this is limited as much as possible, as the school intends to retain the teaching staff, focus on training and development of all staff to improve teaching and learning and to continuously monitor pupil performance at an early stage of their educational development and ensure that they are nurtured to achieve the best possible standard that each individual can achieve.
- Operate the school within the budget – there is always the risk of operating above budget constraints. However with a strong Finance and Audit Committee and effective internal reporting such as budgeting and forecasting, this risk will be minimised.
- Increase in number of schools in the Trust and the new operating arrangement associated with a growing Trust.

ABINGDON LEARNING TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PLANS FOR FUTURE PERIODS

Abingdon Learning Trust (ALT) will create an educational hub for excellence alongside the leadership and governance to raise standards and improve outcomes for all. Aiming to provide a world class education, the benefits of ALT mean we will:

- Ensure the shared responsibility and moral purpose
- Lead a self-improving school system, growing capacity to ensure great practice.
- Champion primary education in Abingdon
- Extend leadership opportunities
- Embed coherent admissions and transition
- Tackle disadvantage & promote social inclusion
- Promote and facilitate true vocational experiences Sustain improvement through efficient use of resources
- Work in partnership with existing and planned primary schools
- Provide a clear point of investment and communication
- Invest in facilities
- Sharing specialist facilities, resources and teaching
- Opportunities for joint CPD for teaching and support staff across primary partners
- Collaboration on significant projects
- Research and development opportunities

ALT will support the 'whole person', provide high quality opportunities for learning. ALT will become the employer of choice, attracting and retaining high quality teachers and support staff who are valued, make a difference and thrive in their professional development. ALT will provide consistency and continuity for our students, nurturing all members of our wider school community. The proposed initial step is to work with two local secondary schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Neither Abingdon Learning Trust nor its Directors are acting as custodian Directors.

ABINGDON LEARNING TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

AUDITOR

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the Directors 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.

Directors' report, incorporating a strategic report, was approved by order of the board of Directors, as the company Directors, on 12 December 2016 and signed on the board's behalf by:

.....
R Parsonson
Chair of Directors

ABINGDON LEARNING TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016

SCOPE OF RESPONSIBILITY

As Directors we acknowledge we have overall responsibility for ensuring that Abingdon 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 Directors has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Abingdon Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 5 times during the year.

Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
C Wilmshurst (Chair until 31 August 2016)	5	5
R Parsonson (Vice Chair then Chair 01 Sep 2016)	5	5
J Burns (Appointed 20.04.2016)	2	2
V Case	5	5
R Hawkins	5	5
J Haggas	4	4
S Goodger	3	5
L Kendry (Staff Trustee appointed 21.10.2015)	2	3
D Latimer (Staff Trustee)	2	5
D Lymn	4	5
M Nga	4	5
K Pocock	4	5
M Pratt	5	5
G Simpson	3	5
J Stevenson (Staff Trustee appointed 21.10.15)	4	4
K De Villiers (Vice Chair 16.10.2016)	5	5
L Youngman (Headteacher and Accounting Officer)	4	4
S Robertson (Resigned 21.10.2015)	1	1

During 2015-16 the Headteacher and Accounting Officer commenced Maternity Leave on 6 June 2016, Mrs J Stevenson, took on the role of Acting Headteacher during this period, however Mrs L Youngman, retained the role of Accounting Officer.

In August 2016 the Trust changed the name of the company from Rush Common Academy Trust to Abingdon Learning Trust, to recognise the desire to expand as a Multi Academy Trust, talks are progressing with other local schools.

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

GOVERNANCE (continued)

The Trust Board recognises the need to change the structure in preparation for expansion of the Trust and engaged the support of an external consultant to assist with the development of a new Governance Structure and Terms of Reference. To support this development a skills based Board of Directors has been identified and work is going with other schools to make the long term necessary changes.

An external School Improvement Advisor completed an annual review of Governance in October 2014 and reported: 'Directors know the school well and have a range of professional skills that enable them to both support and challenge school leaders very well.'

The Directors successfully applied for the re-accreditation of the Governor Mark which was awarded in June 2016.

The **Finance and Audit Committee** is a sub-committee of the Board of Directors.

1. The purpose of the Committee was to assist the decision making of the Board of Directors by enabling more detailed consideration to be given to the best means of fulfilling the Board of Directors' responsibility to ensure sound governance and management of the Trust's finances, premises and human resources, including proper planning, monitoring and probity.
2. The Committee made appropriate comments and recommendations on such matters to the Board of Directors on a regular basis.
3. Major issues are referred to the full Board of Directors for ratification.

Director		Meetings attended	Meetings Held
K Pocock	(Chair of Finance and Audit)	5	5
J Haggas		4	4
M Nga		2	5
M Pratt		5	5
L Youngman	(Maternity leave June 16)	4	5
J Stevenson	(From June 16)	1	1

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

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Improving Educational Results:

We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:

- Targeting resources in line with the School Improvement Plan (SIP) priorities, including:
- Recruitment or redeployment of specialist TAs and outside agency services to support the identified needs, including a behaviour specialist.
- Implementing initiatives to ensure pupils learning is meaningful, child led and initiated, underpinned by competencies and is challenging enough to meet individual needs.
- Professional development for Early Years Foundation Stage staff to improve outcomes for children in this area of the school
- Professional development for Teaching Assistants to effectively support the School Provision Map.
- Initiatives to accelerate the progress of all groups of children
- Developing the use of an assessment, tracking and monitoring system for 'assessment without levels' to ensure that data is used to inform planning, target interventions and support differentiation, including regular internal and Leadership Team meetings to review progress and impact of interventions for different groups of pupils.

The effectiveness of these strategies can be seen in improved pupil outcomes in areas of focus across the school; where improvements were not seen, strategies were reviewed; monitoring of Teaching and Learning; successful development of an assessment system and external reports from the School's Improvement Advisor.

Financial Governance and Oversight:

Our governance arrangements include regular monitoring by the Board of Directors and its committees, including the Finance and Audit Committee. They receive regular financial reports and ask relevant questions as evidenced in the minutes. There is an accountant and an experienced finance specialist on the Board of Directors.

The work of these committees is further informed by regular Internal Audit reports from MHA MacIntyre Hudson, Accountants.

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

REVIEW OF VALUE FOR MONEY (continued)

Better Purchasing:

Examples of steps taken to ensure value for money when purchasing include:

- Exploring alternative purchasing options both on-line and direct through suppliers to find the best value.
- Working with other local academies/schools in partnership to identify products and services that can be procured across a number of schools in order to drive down cost and/or negotiate favourable rates e.g. assessment data systems, energy contracts, HR Services.
- Implementing a tender process for significant purchases and/or contracts, for example sourcing a new payroll supplier alongside a group of Oxfordshire Academies to ensure best price.
- The Head of Business and Finance has been influential in driving down costs through better procurement and negotiation throughout 2015/16 including catering, school insurances, residential trip costs.

Relevant contracts are reviewed on an annual basis to ensure they are fit for purpose and best value.

Better Income Generation:

Examples of steps to maximize income include:

- A range of school staff providing consultancy services to other local schools and the Local Authority.
- Hosting trainee and aspiring teachers, including SCITT placements during 2015-16.
- The school's banking arrangements ensure that where cash flow allows, monies are transferred into a higher interest account.

Reviewing Controls and Managing Risks:

The Finance and Audit Committee, Headteacher, Head of Business and Finance, budget holders and the Leadership Team have reviewed regular budget reports, including future recommendations. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance.

Actions taken to manage risk include the purchase of an appropriate level of insurance cover, following consultation with the school's broker. Professional advice (for example from the HR and legal service providers) has also been sought when needed.

Future Objectives:

We recognize the need to continue developing relationships with other academies and/or local schools, in order to benefit from economies of scale in procuring products and services, developing staff and sharing knowledge, skill and expertise. This is achieved currently through the purchasing power of the Oxfordshire Business Managers Group, there are plans to expand the Trust and through a central services team enhance efficient purchasing.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

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

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 Abingdon 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 Directors 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 Directors 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 Directors.

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 Directors
- 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 Directors has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Directors have appointed MHA MacIntyre Hudson, to perform additional checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- review of budget preparation
- review of management accounts

On a regular basis MHA MacIntyre Hudson reports to the Board of Directors, through a report to the Finance and Audit committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities. These reviews were carried out and no material control issues were identified.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

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

REVIEW OF EFFECTIVENESS

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

- the work of the internal Auditor
- the work of the external auditor
- the work of the leadership 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 Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 12 December 2016 and signed on its behalf by:

.....
R Parsonson
Chair of Directors

.....
L Youngman
Accounting Officer

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2016

As Accounting Officer of Abingdon Learning Trust I have considered my responsibility to notify the Academy Trust Board of Directors 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 Directors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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

.....
L Youngman
Accounting Officer

12 December 2016

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

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

The Directors (who act as Governors of Abingdon Learning Trust and are also the trustees of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

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

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

The Directors 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 Directors and signed on its behalf by:

.....
R Parsonson
Chair of Directors

Date: 12 December 2016

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ABINGDON LEARNING TRUST**

We have audited the financial statements of Abingdon Learning 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 DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ABINGDON LEARNING TRUST**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report, incorporating 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: 16 December 2016

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABINGDON LEARNING TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 July 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 Abingdon Learning Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Abingdon 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 Abingdon 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 Abingdon Learning Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ABINGDON LEARNING TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Abingdon Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2014, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABINGDON LEARNING TRUST AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Board of Directors and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties;
- testing a sample of grants received and other income streams;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquires of 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 year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

16 December 2016

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed assets funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	1,286	12,375	197,408	211,069	23,888
Charitable activities	5	48,934	1,534,682	-	1,583,616	1,582,607
Other trading activities	3	150,878	33,127	-	184,005	157,959
Investments	4	-	1,070	-	1,070	651
TOTAL INCOME		201,098	1,581,254	197,408	1,979,760	1,765,105
EXPENDITURE ON:						
Charitable activities	7	186,471	1,603,519	87,765	1,877,755	1,794,144
TOTAL EXPENDITURE	6	186,471	1,603,519	87,765	1,877,755	1,794,144
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	16	14,627 (1,140)	(22,265) (46,914)	109,643 48,054	102,005 -	(29,039) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		13,487	(69,179)	157,697	102,005	(29,039)
Actuarial losses on defined benefit pension schemes	20	-	(485,000)	-	(485,000)	(3,000)
NET MOVEMENT IN FUNDS		13,487	(554,179)	157,697	(382,995)	(32,039)
RECONCILIATION OF FUNDS:						
Total funds brought forward		72,492	(388,652)	4,014,951	3,698,791	3,730,830
TOTAL FUNDS CARRIED FORWARD		85,979	(942,831)	4,172,648	3,315,796	3,698,791

The notes on pages 30 to 50 form part of these financial statements.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07931886

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	13		4,147,748		3,984,961
CURRENT ASSETS					
Debtors	14	63,285		64,435	
Cash at bank and in hand		492,984		266,920	
			<u>556,269</u>	<u>331,355</u>	
CREDITORS: amounts falling due within one year	15	(355,221)		(116,525)	
NET CURRENT ASSETS			201,048		214,830
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	20		(1,033,000)		(501,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			3,315,796		3,698,791
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	90,169		112,348	
Restricted fixed assets funds	16	4,172,648		4,014,951	
Restricted income funds excluding pension liability		4,262,817		4,127,299	
Pension reserve	16	(1,033,000)		(501,000)	
Total restricted income funds			3,229,817		3,626,299
Unrestricted income funds	16		85,979		72,492
TOTAL FUNDS			3,315,796		3,698,791

The financial statements were approved by the Directors, and authorised for issue, on 12 December 2016 and are signed on their behalf, by:

.....
R Parsonson
Chair of Directors

.....
L Youngman
Accounting Officer

The notes on pages 30 to 50 form part of these financial statements.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	18	278,138	195,299
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,070	651
Purchase of tangible fixed assets		(250,552)	(281,947)
Capital grants from DfE/EFA		197,408	8,602
Net cash used in investing activities		(52,074)	(272,694)
Change in cash and cash equivalents in the year		226,064	(77,395)
Cash and cash equivalents brought forward		266,920	344,315
Cash and cash equivalents carried forward	19	492,984	266,920

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 of financial statements

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

Abingdon Learning Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Abingdon 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 2015). The financial statements of Abingdon Learning Trust (previously called Rush Common Academy Trust) for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Directors 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 24.

1.2 Fund accounting

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

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations are recognised on a receivable basis where there are no performance related conditions and there is probability of receipt and the amount can be reliably measured.

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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 Incorporating Income and Expenditure Account 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 Incorporating Income and Expenditure Account.

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 Incorporating Income and Expenditure Account.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on leasehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	2% per annum on cost
Plant and machinery	-	over 5 years
Furniture and equipment	-	over 5 - 10 years
Computer equipment	-	over 3 years

1.7 Operating leases

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

1.8 Interest receivable

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

1.9 Taxation

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

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

1. ACCOUNTING POLICIES (continued)

1.10 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

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

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

1.13 Financial instruments

The Academy Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1. ACCOUNTING POLICIES (continued)

Pensions (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 Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

ABINGDON LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed assets funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	1,286	12,375	-	13,661	15,286
Capital grants	-	-	197,408	197,408	8,602
	<u>1,286</u>	<u>12,375</u>	<u>197,408</u>	<u>211,069</u>	<u>23,888</u>

In 2015, of the total income from donations and capital grants, £11,688 was to unrestricted funds, £3,598 was to restricted funds and £8,602 was to restricted fixed asset funds.

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Rental income	2,885	-	2,885	1,420
Staff absence insurance	-	18,635	18,635	12,120
School uniform and services	6,130	95	6,225	7,234
Other income including BASC	111,109	4,676	115,785	109,004
Main meals income	30,754	9,721	40,475	28,181
	<u>150,878</u>	<u>33,127</u>	<u>184,005</u>	<u>157,959</u>

In 2015, of the total income from other trading activities, £144,764 was to unrestricted funds, £13,195 was to restricted funds and £ NIL was to restricted fixed asset funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest receivable	-	1,070	1,070	651
	<u>-</u>	<u>1,070</u>	<u>1,070</u>	<u>651</u>

In 2015, of the total investment income, £ NIL was to unrestricted funds, £ 651 was to restricted funds and £ NIL was to restricted fixed asset funds.

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	1,396,147	1,396,147	1,381,934
Pupil premium	-	39,432	39,432	33,218
Free School Meals	-	61,617	61,617	57,903
Other DfE revenue grants	3,905	9,775	13,680	16,205
Adopted pupil premium	-	-	-	13,632
	<u>3,905</u>	<u>1,506,971</u>	<u>1,510,876</u>	<u>1,502,892</u>
Other government grants				
SEN allocation	-	11,447	11,447	19,955
	<u>-</u>	<u>11,447</u>	<u>11,447</u>	<u>19,955</u>
Other funding				
Trip income	35,806	-	35,806	40,315
Other income	9,223	16,264	25,487	19,445
	<u>45,029</u>	<u>16,264</u>	<u>61,293</u>	<u>59,760</u>
	<u><u>48,934</u></u>	<u><u>1,534,682</u></u>	<u><u>1,583,616</u></u>	<u><u>1,582,607</u></u>

In 2015, of the total income from charitable activities, £47,575 was to unrestricted funds, £1,535,032 was to restricted funds and £ NIL was to restricted fixed asset funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Activities:					
Direct costs	1,190,397	58,052	150,663	1,399,112	1,335,272
Support costs	187,773	99,664	191,206	478,643	458,872
	<u>1,378,170</u>	<u>157,716</u>	<u>341,869</u>	<u>1,877,755</u>	<u>1,794,144</u>

In 2016, of the total expenditure, £186,471 (2015 - £182,955) was to unrestricted funds, £1,603,519 (2015 - £1,520,643) was to restricted funds and £87,765 (2015 - £90,546) was to restricted fixed asset funds.

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

7. CHARITABLE ACTIVITIES

	Total funds 2016 £	Total funds 2015 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	1,190,397	1,125,448
Depreciation	87,765	74,208
Technology costs	22,837	33,330
Educational supplies	49,468	49,155
Staff development	5,893	5,560
School trips expenditure	36,155	40,759
Other support costs	6,597	6,812
	1,399,112	1,335,272
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	187,773	173,071
Pension finance cost	19,000	19,000
Recruitment and support	1,743	1,884
Maintenance of premises and equipment	18,986	34,745
Cleaning	23,598	25,059
Rates	8,911	8,103
Energy	11,103	17,480
Insurance	35,279	32,452
Catering supplies	93,109	78,775
Bank charges	96	96
Legal and professional	18,222	10,291
Other support costs	49,878	45,011
Governance costs	10,945	12,905
	478,643	458,872
	1,877,755	1,794,144

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	87,765	74,208
Operating lease rentals	1,479	23,116
Auditors' remuneration - audit	6,100	5,000
Auditors' remuneration - other services	4,845	7,905

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

9. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,081,638	1,017,714
Social security costs	77,374	62,869
Operating costs of defined benefit pension schemes	216,423	184,456
	<hr/>	<hr/>
	1,375,435	1,265,039
Supply teacher costs	2,735	33,479
	<hr/>	<hr/>
	1,378,170	1,298,518
	<hr/> <hr/>	<hr/> <hr/>

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

	2016	2015
	No.	No.
Teachers	22	22
Administration and support	26	29
Management	4	4
	<hr/>	<hr/>
	52	55
	<hr/> <hr/>	<hr/> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the academy trust comprises 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 £225,686 (2015: £194,695).

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

10. DIRECTORS' REMUNERATION AND EXPENSES

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

		2016	2015
		£	£
D Latimer	Remuneration	15,000-20,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000
L Youngman	Remuneration	55,000-60,000	55,000-60,000
	Pension contributions paid	5,000-10,000	5,000-10,000
J Stevenson	Remuneration	40,000-45,000	
	Pension contributions paid	5,000-10,000	
L Kendry	Remuneration	30,000-35,000	
	Pension contributions paid	0-5,000	

Remuneration disclosures for Directors who resigned prior to 1 September 2015 have not been reflected in these financial statements.

During the year, no Directors received any reimbursement of expenses (2015 - £NIL).

11. DIRECTORS' 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2016 was £524 (2015 - £793).

12. PENSION FINANCE COST

	2016	2015
	£	£
Interest on pension scheme liabilities	(19,000)	(19,000)

ABINGDON LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

13. TANGIBLE FIXED ASSETS

	Leasehold property £	Plant and machinery £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2015	4,098,531	36,997	33,740	43,161	4,212,429
Additions	-	198,737	40,370	11,445	250,552
At 31 August 2016	<u>4,098,531</u>	<u>235,734</u>	<u>74,110</u>	<u>54,606</u>	<u>4,462,981</u>
Depreciation					
At 1 September 2015	188,796	18,184	9,049	11,439	227,468
Charge for the year	58,052	8,378	6,324	15,011	87,765
At 31 August 2016	<u>246,848</u>	<u>26,562</u>	<u>15,373</u>	<u>26,450</u>	<u>315,233</u>
Net book value					
At 31 August 2016	<u><u>3,851,683</u></u>	<u><u>209,172</u></u>	<u><u>58,737</u></u>	<u><u>28,156</u></u>	<u><u>4,147,748</u></u>
At 31 August 2015	<u><u>3,909,735</u></u>	<u><u>18,813</u></u>	<u><u>24,691</u></u>	<u><u>31,722</u></u>	<u><u>3,984,961</u></u>

Included in leasehold property is leasehold land at cost of £1,195,950 (2015 - £1,195,950) which is not depreciated.

14. DEBTORS

	2016 £	2015 £
Trade debtors	-	422
Prepayments and accrued income	38,026	56,019
VAT recoverable	25,259	7,994
	<u>63,285</u>	<u>64,435</u>

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

15. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	143,656	22,044
Other taxation and social security	24,723	13,800
EFA creditor: abatement of GAG	-	8,384
Pensions	22,519	19,033
Other creditors	100	-
Accruals and deferred income	164,223	53,264
	<u>355,221</u>	<u>116,525</u>
	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	36,825	54,086
Resources deferred during the year	47,562	36,825
Amounts released from previous years	(36,825)	(54,086)
Deferred income at 31 August 2016	<u>47,562</u>	<u>36,825</u>

Deferred income relates to grants received in advance for universal infant free school meals, and rates relief for 2016-17.

ABINGDON LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Carried forward £
Designated funds						
Sensory garden project	5,000	-	-	(1,140)	-	3,860
General funds						
General unrestricted funds	67,492	201,098	(186,471)	-	-	82,119
Total Unrestricted funds	72,492	201,098	(186,471)	(1,140)	-	85,979
Restricted funds						
General Annual Grant (GAG)	94,934	1,396,147	(1,408,907)	(22,413)	-	59,761
Other DfE/EFA grants	-	87,656	(87,656)	-	-	-
Pupil premium	-	39,432	(39,432)	-	-	-
Other income	17,414	46,572	(9,077)	(24,501)	-	30,408
SEN income	-	11,447	(11,447)	-	-	-
Pension reserve	(501,000)	-	(47,000)	-	(485,000)	(1,033,000)
	(388,652)	1,581,254	(1,603,519)	(46,914)	(485,000)	(942,831)
Restricted fixed asset funds						
Fixed asset funds	3,984,961	-	(87,765)	250,552	-	4,147,748
Devolved formula capital	29,990	8,579	-	(13,669)	-	24,900
Capital improvement fund	-	188,829	-	(188,829)	-	-
	4,014,951	197,408	(87,765)	48,054	-	4,172,648
Total restricted funds	3,626,299	1,778,662	(1,691,284)	1,140	(485,000)	3,229,817
Total of funds	3,698,791	1,979,760	(1,877,755)	-	(485,000)	3,315,796

ABINGDON LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. STATEMENT OF FUNDS (continued)

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

- General annual grant to be spent on educational purposes as specified by the EFA.
- Pension reserve deficit represents the future pension funding requirements which will be met from future employer pension contributions.
- Restricted fixed assets are funds representing the amounts invested in fixed assets.
- Devolved formula capital is EFA grant monies to be spent on premises.
- Other income consists of donations.
- All general funds are held for the purpose of education in line with the academy's objectives.

Transfers between restricted, unrestricted and restricted fixed assets funds represents funding of fixed asset additions.

The sensory garden project represents funds designated by the governors to be used to improve the sensory garden.

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed assets funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	4,147,748	4,147,748	3,984,961
Current assets	85,979	445,390	24,900	556,269	331,355
Creditors due within one year	-	(355,221)	-	(355,221)	(116,525)
Pension scheme liability	-	(1,033,000)	-	(1,033,000)	(501,000)
	<u>85,979</u>	<u>(942,831)</u>	<u>4,172,648</u>	<u>3,315,796</u>	<u>3,698,791</u>

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

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

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	102,005	(29,039)
Adjustment for:		
Depreciation charges	87,765	74,208
Dividends, interest and rents from investments	(1,070)	(651)
Decrease in debtors	1,208	155,629
Increase/(decrease) in creditors	238,638	(40,246)
Capital grants from DfE and other capital income	(197,408)	(8,602)
Pension adjustments	47,000	44,000
Net cash provided by operating activities	278,138	195,299

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	492,984	266,920
Total	492,984	266,920

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

20. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Oxfordshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £22,519 were payable to the schemes at 31 August 2016 (2015 - 19,033) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £110,746 (2015 - £86,772).

NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £100,000 (2015 - £94,000), of which employer's contributions totalled £76,000 (2015 - £72,000) and employees' contributions totalled £24,000 (2015 - £22,000). The agreed contribution rates for future years are 14.4% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
RPI increases	3.20 %	3.60 %

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

	2016	2015
Retiring today		
Males	23.3	23.3
Females	25.8	25.7
Retiring in 20 years		
Males	25.6	25.5
Females	28.1	28.0

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NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	468,000	352,000
Debt instruments	26,000	18,000
Property	51,000	37,000
Cash	25,000	17,000
Gilts	90,000	65,000
Alternative Assets	55,000	44,000
	<u>715,000</u>	<u>533,000</u>

The actual return on scheme assets was £86,000 (2015 - £17,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(104,000)	(97,000)
Net interest cost	(19,000)	(19,000)
Past service cost	(7,388)	-
	<u>(130,388)</u>	<u>(116,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,034,000	887,000
Current service cost	104,000	97,000
Interest cost	42,000	38,000
Contributions by employees	24,000	22,000
Actuarial losses	548,000	1,000
Benefits paid	(4,000)	(11,000)
	<u>1,748,000</u>	<u>1,034,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	533,000	433,000
Interest income	23,000	19,000
Actuarial gains and (losses)	63,000	(2,000)
Contributions by employer	76,000	72,000
Contributions by employees	24,000	22,000
Benefits paid	(4,000)	(11,000)
	<u>715,000</u>	<u>533,000</u>
Closing fair value of scheme assets	<u>715,000</u>	<u>533,000</u>

The amount shown in the balance sheet is:

	2016 £	2015 £
Present value of defined benefit obligation	(1,748,000)	(1,034,000)
Fair value of scheme assets	715,000	533,000
	<u>(1,033,000)</u>	<u>(501,000)</u>
Defined benefit pension scheme liability	<u>(1,033,000)</u>	<u>(501,000)</u>

21. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	1,470	1,470
Between 1 and 5 years	735	2,082
	<u>2,205</u>	<u>3,552</u>
Total	<u>2,205</u>	<u>3,552</u>

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

22. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has 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 Academy Trust received donations of £6,000 from Friends of Rush Common, which organises events to raise funds for the Academy. It is not controlled by the Academy. No balances were outstanding at the year end.

23. MEMBERS' LIABILITY

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

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

24. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

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

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

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		3,596,279	3,698,791
Change in recognition of ACMF grant income	A	134,551	-
Total funds reported under FRS 102		<u>3,730,830</u>	<u>3,698,791</u>

Reconciliation of net (expenditure)	Notes	31 August 2015 £
Net income previously reported under UK GAAP		114,512
Change in recognition of ACMF grant income	A	(134,551)
Change in recognition of LGPS interest cost	B	(9,000)
		-
Net (expenditure) reported under FRS 102		<u>(29,039)</u>

Explanation of changes to previously reported funds and net income/expenditure:

A Under previous UK GAAP the trust recognised grant income on a virtually certain basis. Under FRS 102 grant income must be recognised on a probable basis. Consequently £134,551 of ACMF grant income for kitchen facilities upgrade and roof repairs has been recognised at the transition date of 1 September 2014. The effect of the change has been to increase total funds at 1 September 2014 by £134,551 and reduce net income of £134,551 for the 12 months to 31 August 2015 to net expenditure of £20,039. Total funds at 31 August 2015 remain unaffected by the change.

B 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 reduce the credit to expense by £9,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.